



Tennessee Housing Development Agency

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MEMORANDUM

TO: All Interested Parties

FROM: Multifamily Development Division

SUBJECT: Calculation of Tie Breaker for 2011 LIHTC Initial Applications

DATE: February 14, 2011

In accordance with the provisions of Section 42(d)(4)(B) of the Internal Revenue Code, basis of property in common areas (of a character subject to the allowance for depreciation) is included in a building's adjusted basis. For purposes of calculating the Tie Breaker as described in Part VIII-E-5 of the 2011 Low-Income Housing Tax Credit Qualified Allocation Plan, common square footage (within the meaning of Section 42(d)(4)(B) of the Internal Revenue Code) will be included to the extent that such common square footage is heated.

Section 2, Item F of the 2011 Low-Income Housing Tax Credit Initial Application should be completed accordingly.

If you have questions, please contact:

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Or

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