



2022 Uniform Multifamily Application Templates

221 East 11th Street
Austin, TX 78701

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Template Overview

The Texas Department of Housing and Community Affairs (the Department or TDHCA) continues to emphasize the importance of conducting business within the State of Texas in a manner that is both transparent and inclusive of local stakeholders. To that end, the Department has integrated into its rules for multifamily development mandatory requirements to communicate information about proposed plans to develop multifamily rental housing to the local community and elected officials.

The purpose of this document is to provide Applicants of multifamily programs with templates that may be used for certain required communications with local government officials, State Representatives and Senators, neighborhood organizations, and lenders, and resolutions that may be required to be adopted by local governing bodies for various purposes relating to proposed tax credit developments. The following templates may be used or referenced by Applicants at various stages of the Application process. The templates are not required, but when used (properly completed) for the explicit purpose indicated on the template they will be accepted by staff as having satisfied the requirements of the applicable rule. Use of other formats is permitted, but in developing and using alternative formats it is the responsibility of the person developing and using them to ensure that they meet applicable requirements and achieve the intended purpose.

Each template is labeled with a brief description of the template's purpose, followed by a reference to the Qualified Allocation Plan (QAP) or other rule or law, including due dates associated with the requirements underlying the template.

SOME OF THESE TEMPLATES (OR SIMILAR LETTERS OR RESOLUTIONS DEVELOPED WITHOUT USE OF THE TEMPLATES) MAY INVOLVE FORMING AND EXPRESSING CONCLUSIONS AND EXPRESSING VIEWS WITH RESPECT TO PROPOSED AFFORDABLE HOUSING DEVELOPMENTS. ANYONE ADDRESSING SUCH MATTERS SHOULD TAKE CARE, INCLUDING SEEKING THE ADVICE OF LEGAL COUNSEL OF THEIR CHOOSING, REGARDING ANY POTENTIAL IMPLICATIONS UNDER STATE AND FEDERAL LAWS REGARDING FAIR HOUSING, INCLUDING, BUT NOT LIMITED TO, CONSISTENCY WITH ADOPTED PLANNING DOCUMENTS GOVERNING THE USE OF HUD FUNDS AND ANALYSES OF IMPEDIMENTS TO FAIR HOUSING CHOICE.

The governing body of a city or county may develop and use its own form of resolution but is reminded that it should consult legal counsel of its choosing to ensure that the resolutions ultimately developed and used meet their intended purpose and fulfill the requirements of applicable laws and rules.

Using the Templates

To use the following templates, an Applicant must complete the template by incorporating development or application specific information. Applicants will be able to identify areas where Development information is required by locating the bold text in brackets. Upon completion of the bracketed portions of the templates, the Applicant should re-format the text as in the examples below. The templates are made available in a Microsoft Word format so that Applicants have the ability to cut, paste, and format as necessary.

Example:

The name of the Development is **[insert name of Development]** and it will be **[insert construction type e.g., new construction]**.

The name of the Development is County Estates and it will be rehabilitation.

Public Notification Template -

Pursuant to 10 TAC §11.8(b)(2)(B) and (C), 10 TAC §11.203(2) and (3), and 10 TAC §12.5, the following template may be used to create a letter to notify individuals and/or entities identified in the above-referenced rules.

Public Notification letters must be sent no later than the date the pre-application (if submitted) for competitive HTC Applications or TDHCA Bond Pre-applications, or full Application (for all applications) is submitted. For Tax-Exempt Bond Developments, notifications must not be older than three months prior to the date the complete Application is submitted.

[Date]

[Appropriate Individual/entity pursuant to 10 TAC §§11.8(b)(2)(B)(i) through (viii) and 10 TAC 11.203(2)(A) through (H)]

[Address]

[City, State, ZIP]

Dear [xxxxxx],

[Applicant Name] is making an application for **[Name all TDHCA Programs for which Applicant is applying]** with the Texas Department of Housing and Community Affairs for **[Development name, address, city, and county]**. This **[New Construction/Reconstruction/Adaptive Reuse/Rehabilitation]** is a(n) **[apartment/single family/townhome/high rise/duplex]** community **[if applicable, on # sites]**, and composed of approximately **[#]** units of which **[#]** will be for low-income tenants. The residential density of the Development, i.e., the number of Units per acre is approximately **[#]**.

In the spring, the Department will hold public hearings in various locations around the state or virtually to gather input on Competitive Housing Tax Credit applications. The hearing schedule along with contact information for written public comment will be posted on TDHCA's [Public Comment Center](#) website later this year.

[For Tax-Exempt Bond applications where the Department is the issuer, there will be a public hearing to receive public comment on the proposed development. Information regarding the date, time, and location of that hearing will be published on the Department's website (<http://www.tdhca.state.tx.us/multifamily/communities.htm>). For Tax-Exempt Bond applications that utilize a local issuer interested individuals are encouraged to contact the local issuer for information regarding the public hearing.]

[For Direct Loan only Applications, public comment on the proposed development will be accepted as described below.

An interested party or Neighborhood Organization can provide comments on any and all applications at each hearing, or can provide written comments to the Department by email at HTCPC@tdhca.state.tx.us, or by mail at:

Texas Department of Housing and Community Affairs
Public Comment - Multifamily Finance Division
P.O. Box 13941
Austin, Texas 78711-3941]

Note that in order for input on Competitive Housing Tax Credit applications to be included in the materials relating to presentation for awards to be provided to the Governing Board of the Texas Department of Housing and Community Affairs; **such input must be received by the Department by 5:00 p.m., Austin local time, on June 1, 2022.**

Sincerely,

Representative of **[the Applicant Name)**
[Title]
[Name, Address, email, and telephone number if not on letterhead]

Two Mile Same Year – Sample Resolution (Competitive HTC only)

Pursuant to 10 TAC §11.3(b)(2), staff will not recommend for award, and the Board will not make an award to an Application that proposes a Development Site located in a county with a population that exceeds one million, if the proposed Development Site is also located less than two linear miles from the proposed Development Site of another Application, or from the Development Site of a Supplemental Allocation of 2022 credits, within said county that is awarded in the same calendar year. That subsection does not apply if an Application is located in an area that, within the past five years, meets the requirements of Tex. Gov't Code §2306.6711(f-1), which excludes any municipality with a population of two million or more where a federal disaster has been declared by the Full Application Delivery Date, and the municipality is authorized to administer disaster recovery funds as a subgrant recipient, for the disaster identified in the federal disaster declaration. If a Competitive HTC Application proposes a Development Site in such an area, then the Applicant must obtain prior approval of the Development from the Governing Body of the appropriate municipality or county containing the Development. That approval must contain a written expression of support in the form of a resolution, and that resolution must be submitted by the Full Application Delivery Date as identified in 10 TAC §11.2(a). A sample resolution is provided below.

WHEREAS, **[Applicant]** has proposed a development for affordable rental housing at **[address of proposed site]** named **[name of development]** in the **[city/county of xxxxx]** and

WHEREAS, **[Applicant]** has communicated that it intends to submit an application to the Texas Department of Housing and Community Affairs for 2022 Competitive Housing Tax Credits for **[name of development]** and

WHEREAS, the **[city/county of xxxxx]** is a municipality with a population of two million or more where a federal disaster has been declared by the Full Application Delivery Date as identified in 10 TAC §11.2(a), and the **[city/county of xxxxx]** is authorized to administer disaster recovery funds as a subgrant recipient, for the disaster identified in the federal disaster declaration

It is hereby

RESOLVED that, as provided for in 10 TAC §11.3(b), it is hereby acknowledged that the proposed Development Site is located less than two linear miles from the proposed Development Site of another Application, or from the Development Site of a Supplemental Allocation of 2022 credits, within said county that is proposed for award in the same calendar year and

FURTHER RESOLVED that the **[city/county of xxxxx]** hereby confirms that its governing body has voted specifically to authorize an allocation of Competitive Housing Tax Credits for the Development pursuant to Tex. Gov't Code §2306.6711(f-1), and

FURTHER RESOLVED that for and on behalf of the Governing Body, **[name, position of authorized person]** are hereby authorized, empowered, and directed to certify these resolutions to the Texas Department of Housing and Community Affairs.

Twice the State Average Per Capita – Sample Resolution

Pursuant to 10 TAC §11.3(c), for applications located in a municipality, or if located completely outside a municipality, a county, that has more than twice the state average of units per capita supported by Housing Tax Credits or private activity bonds at the time the Application Acceptance Period begins, or for Tax-Exempt Bond Developments, Applications submitted after the Application Acceptance Period begins, then the Applicant must obtain prior approval of the Development from the Governing Body of the appropriate municipality or county containing the Development. That approval must also contain a written expression of support in the form of a resolution, and that resolution must include a reference to Tex. Gov't Code §2306.6703(a)(4) and authorize an allocation of Housing Tax Credits for the Development. The resolution must be submitted by the Full Application Delivery Date as identified in 10 TAC §11.2(a), regarding Competitive HTC Deadlines, or Resolutions Delivery Date in 10 TAC §11.2(b), regarding Tax-Exempt Bond Development Dates and Deadlines, as applicable. A list of the areas with more than twice the state average of units per capita can be found in the 2022 HTC Site Demographic Characteristics Report posted on the Department's website. A sample resolution is provided below.

WHEREAS, **[Applicant]** has proposed a development for affordable rental housing at **[address of proposed site]** named **[name of development]** in the **[city/county of xxxxx]** and

WHEREAS, **[Applicant]** has communicated that it intends to submit an application to the Texas Department of Housing and Community Affairs ("TDHCA") for 2022 **[Housing Tax Credits/Private Activity Bond]** funds for **[name of development]**

It is hereby

RESOLVED, that as provided for in 10 TAC §11.3(c), it is expressly acknowledged and confirmed that the **[city/county of xxxxx]** has more than twice the state average of units per capita supported by Housing Tax Credits or Private Activity Bonds and

FURTHER RESOLVED, that the **[city/county of xxxxx]** hereby supports the proposed **[name of development]**, and confirms that its governing body has voted specifically to approve the construction or rehabilitation of the Development and to authorize an allocation of Housing Tax Credits for the Development pursuant to Tex. Gov't Code §2306.6703(a)(4), and

FURTHER RESOLVED that for and on behalf of the Governing Body, **[name, position of authorized person]** are hereby authorized, empowered, and directed to certify these resolutions to the Texas Department of Housing and Community Affairs.

One Mile, Three Year Rule – Sample Resolution

Pursuant to 10 TAC §11.3(d), an Application that proposes the New Construction or Adaptive Reuse of a Development that is located one linear mile or less (measured by a straight line on a map from the closest point on each development) from another Development that:

(A) serves the same Target Population as the proposed Development, regardless of whether the Development serves general, Elderly, or Supportive Housing; and

(B) has received an allocation of Housing Tax Credits or private activity bonds, or a Supplemental Allocation of 2022 credits for any New Construction at any time during the three-year period preceding the date the Application Round begins (or for Tax-Exempt Bond Developments the three-year period preceding the date the Certificate of Reservation is issued);

(C) the Development in Subparagraph B has not been withdrawn or terminated from the Housing Tax Credit Program; and

(D) the proposed Development does not meet one of the other exceptions listed in 10 TAC §11.3(d)(2)(A) – (F).

Such Developments shall be considered ineligible, unless the Governing Body of the appropriate municipality or county where the Development is to be located has by vote specifically allowed the construction of a new Development located within one linear mile or less from a Development described above. The resolution must be submitted by the Full Application Delivery Date as identified in 10 TAC §11.2(a), regarding Competitive HTC Deadlines, or Resolutions Delivery Date in 10 TAC §11.2(b), regarding Tax-Exempt Bond Development Dates and Deadlines, as applicable. A sample resolution is provided below.

WHEREAS, **[Applicant]** has proposed a development for affordable rental housing at **[address of proposed site]** named **[name of development]** in the **[city/county of xxxx]** and

WHEREAS, **[Applicant]** has advised that it intends to submit an application to the Texas Department of Housing and Community Affairs (TDHCA) for 2022 **[Housing Tax Credits/Private Activity Bond]** funds for **[name of development]**

It is hereby

RESOLVED, that as provided for in 10 TAC §11.3(d) it is hereby acknowledged that the proposed New Construction or Adaptive Reuse Development is located one linear mile or less from a Development that serves the same Target Population as the proposed Development and has received an allocation of Housing Tax Credits, or private activity bonds, or Supplemental Allocation of 2022 credits for New Construction since **[January 3, 2019, or for Tax-Exempt Bond Developments, the three-year period preceding the date the Certificate of Reservation is issued]** and

FURTHER RESOLVED, that the governing body of the **[city/county of xxxx]** has by vote specifically allowed the construction of the **[name of development]** and to authorize an allocation of Housing Tax Credits for the Development, and

FURTHER RESOLVED that for and on behalf of the Governing Body, **[name, position of authorized person]** are hereby authorized, empowered, and directed to certify these resolutions to the Texas Department of Housing and Community Affairs.

Greater than 20% HTC Units per Total Households in Census Tracts – Sample Resolution

Pursuant to 10 TAC §§11.3(e) and 10 TAC §11.4(c)(1), applicants applying for Competitive Housing Tax Credits and/or Private Activity Bonds that propose the New Construction or Adaptive Reuse of a Development located in a census tract that has more than 20% Housing Tax Credit Units per total households as reflected in the Department’s current Site Demographic Characteristics Report shall be considered ineligible unless the Governing Body of the appropriate municipality or county containing the Development has adopted a resolution stating the proposed Development is consistent with jurisdiction’s obligation to affirmatively further fair housing and that the Governing Body of the appropriate municipality or county containing the Development has no objection to the Application. The resolution must be submitted by the Full Application Delivery Date as identified in 10 TAC §11.2(a), regarding Competitive HTC Deadlines, or Resolutions Delivery Date in 10 TAC §11.2(b), regarding Tax-Exempt Bond Development Dates and Deadlines, as applicable. A sample resolution is provided below.

WHEREAS, **[Applicant]** has proposed a development for affordable rental housing at **[address of proposed site]** named **[name of development]** in the **[city/county of xxxx]** and

WHEREAS, **[Applicant]** has advised that it intends to submit an application to the Texas Department of Housing and Community Affairs (TDHCA) for 2022 **[Housing Tax Credits/Private Activity Bond]** funds for **[name of development]**

It is hereby

RESOLVED, that as provided for in 10 TAC §11.3(e) and §11.4(c)(1), it is hereby acknowledged that the proposed New Construction or Adaptive Reuse Development is located in a census tract that has more than 20% Housing Tax Credit Units per total households and

FURTHER RESOLVED, that the **[city/county of xxxx]** hereby confirms that its Governing Body has no objection to the Application, pursuant to 10 TAC §11.3(e) and §11.4(c)(1) of the Qualified Allocation Plan and

FURTHER RESOLVED, that the governing body affirms that the proposed Development is consistent with the jurisdiction’s obligation to affirmatively further fair housing, and

FURTHER RESOLVED that for and on behalf of the Governing Body, **[name, position of authorized person]** are hereby authorized, empowered, and directed to certify these resolutions to the Texas Department of Housing and Community Affairs.

Local Government Support – Sample Resolution

Pursuant to 10 TAC §11.9(d)(1) and in accordance with Tex. Gov't Code §2306.6710(b), an Application may qualify for up to seventeen (17) points for a resolution or resolutions from the municipality and/or county in which the proposed development site is located. Resolutions that expressly set forth that the municipality or county supports the Application or Development are worth maximum points while resolutions setting forth that the municipality or county has no objection to the Application or Development are worth fewer points. If a Development Site is located partially within a municipality and partially within a county or extraterritorial jurisdiction, positive points will only be awarded if a resolution is obtained from both entities. Pursuant to 10 TAC §11.9(d)(1) once a resolution has been submitted it may not be changed or withdrawn. The resolution must be submitted by the Full Application Delivery Date as identified in 10 TAC §11.2(a), regarding Competitive HTC Deadlines. A sample resolution is provided below.

WHEREAS, **[Applicant]** has proposed a development for affordable rental housing at **[address of proposed site]** named **[name of development]** in the **[city/county/extraterritorial jurisdiction of xxxx]**; and

WHEREAS, **[Applicant]** has advised that it intends to submit an application to the Texas Department of Housing and Community Affairs for 2022 Competitive 9% Housing Tax Credits for **[name of development]**

It is hereby

RESOLVED, that the **[city/county]**, acting through its governing body, hereby confirms that it **[has no objection to/supports]** the proposed **[name of development/development located at address/Application number]** and that this formal action has been taken to put on record the opinion expressed by the **[city/county]** on **[date]**, and

FURTHER RESOLVED that for and on behalf of the Governing Body, **[name, position of authorized person]** are hereby authorized, empowered, and directed to certify these resolutions to the Texas Department of Housing and Community Affairs.

Financial Feasibility Lender Approval Letter – Sample Language

Pursuant to 10 TAC §11.9(e)(1) an Application may qualify to receive a maximum of twenty-six (26) points for evidence of financial feasibility. To qualify for points, a 15-year *pro forma* itemizing all projected income, including Unit rental rates and basis for the rental rate assumptions, operating expenses and debt service, specifying the underlying growth assumptions and reflecting a minimum must-pay debt coverage ratio of 1.15 for each year must be submitted. The *pro forma* can be prepared by the Applicant or can be independently prepared by the Third Party permanent lender. The *pro forma* must include the signature and contact information evidencing that it has been reviewed and found to be acceptable by an authorized representative of the Third party construction or permanent lender. In addition to the signed *pro forma*, a lender approval letter on lender letterhead must be submitted. **The term sheet must include an acknowledgement of the amounts and terms of all other anticipated sources of funds.** If the letter evidences review of the Development alone it will receive twenty-four (24) points. If the letter is from the Third Party permanent lender and evidences review of the Development and the Principals or the Development is Supportive Housing and meets the requirements of 10 TAC §11.1(d)(126)(E)(i), it will receive twenty-six (26) points. If the Development is part of the USDA set-aside and meets the requirements of 10 TAC §11.5(2) and the letter is from the Third Party construction lender, and evidences review of the Development and the Principals, it will receive twenty-six (26) points. Pursuant to 10 TAC §11.8(d), if the Department is the only permanent lender, the Applicant may submit a Request for Preliminary Determination By February 11, 2022, in order to receive twenty-six (26) points.

Sample language for 24 & 26 point letters are provided below (*Note: the required language for points can be included in the commitment or term sheets from the construction and/or permanent lender*).

Sample Language eligible for 24 Points:

“The attached 15-year *pro forma* was prepared by the [**Applicant or independently prepared by {name of lender}**] for [**Development name**] located in [**Development City**]. The *pro forma* is consistent with the unit rental rate assumptions, total operating expenses, net operating income, and debt service coverage based on [**name of lender**] current underwriting parameters and consistent with the loan terms indicated in the term sheet and preliminarily considered feasible pending further diligence review. The debt service for each year maintains no less than a 1.15 debt coverage ratio.”

Sample Language eligible for 26 Points:

“The attached 15-year *pro forma* was prepared by the [**Applicant or independently prepared by {name of lender}**] for [**Development name**] located in [**Development City**]. The *pro forma* is consistent with the unit rental rate assumptions, total operating expenses, net operating income, and debt service coverage based on [**name of lender**] current underwriting parameters and consistent with the loan terms indicated in the term sheet and is preliminarily considered feasible, pending further diligence review. The debt service for each year maintains no less than a 1.15 debt coverage ratio.

Additionally, we have performed a preliminary review of the credit worthiness of **[Development Owner]** and its Principals. At this time, **[name of lending institution]** has no reservations with the Development Owner or any of the Principals. We anticipate no additional guarantors or financial strength will be needed to facilitate a loan to this borrower, other than those requirements disclosed herein.”

Greater than 40% Poverty in Census Tracts – Sample Resolution

Pursuant to 10 TAC §11.101(a)(3) of the QAP, applicants are required to disclose a Development Site that is located within a census tract that has a poverty rate above 40% for individuals (or 55% for Developments in regions 11 and 13). Mitigation may be in the form of a resolution from the Governing Body of the appropriate municipality or county containing the Development, acknowledging the high poverty rate and authorizing the Development to move forward. For Developments located in the ETJ, the resolution would need to come from the county. The resolution must be submitted by the Full Application Delivery Date as identified in 10 TAC §11.2(a), regarding Competitive HTC Deadlines, or Resolutions Delivery Date in 10 TAC §11.2(b), regarding Tax-Exempt Bond and Direct Loan only Application Dates and Deadlines, as applicable. A sample resolution is provided below.

WHEREAS, **[Applicant]** has proposed a development for affordable rental housing at **[address of proposed site]** named **[name of development]** in the **[city/county of xxxx]** and

WHEREAS, **[Applicant]** has advised that it intends to submit an application to the Texas Department of Housing and Community Affairs for 2022 **[Housing Tax Credits/Private Activity Bond/Direct Loan]** funds for **[name of development]**

It is hereby

RESOLVED, that as provided for in 10 TAC §11.101(a)(3) of the Qualified Allocation Plan, it is hereby acknowledged that the proposed Development is located in a census tract that has a poverty rate above **[40% or 55% for Developments in regions 11 and 13]** for individuals and

FURTHER RESOLVED, that the **[city/county of xxxx]** hereby confirms that its Governing Body has voted specifically to authorize the Development to move forward and

FURTHER RESOLVED that for and on behalf of the Governing Body, **[name, position of authorized person]** are hereby authorized, empowered, and directed to certify these resolutions to the Texas Department of Housing and Community Affairs.

Notice, Hearing and Resolution for Tax-Exempt Bond Developments

Pursuant to Tex. Gov't Code §2306.67071, Tax-Exempt Bond Applications applying for Housing Tax Credits after September 1, 2013 must submit a resolution of no objection from the applicable Governing Body. Such resolution must specifically identify the Development whether by legal description, address, Development name, Application number or other verifiable method. For an application with a Development Site that is located within a municipality, the resolution must come from the Governing Body of that municipality; if within the ETJ of a municipality a resolution must be submitted from both the Governing Body of that municipality and the Governing Body of the county; if within a county and not within a municipality or the ETJ of a municipality, a resolution must be submitted from the Governing Body of the county. The resolution must confirm that each applicable Governing Body has held a public hearing in accordance with Tex. Gov't Code §2306.67071(b) and 10 TAC §11.204(4)(B). A sample resolution is provided below.

WHEREAS, **[Applicant]** has proposed a development for affordable rental housing of **[xxx]** units that will be located at **[address of proposed site]** in the **[city/county of xxxx]** and

WHEREAS, **[Applicant]** has submitted an application to the Texas Department of Housing and Community Affairs for **2022** Housing Tax Credits for **[name of development]**

It is hereby

RESOLVED, that in accordance with the requirements of Tex. Gov't Code §2306.67071 and 10 TAC §11.204(4), it is hereby found that:

1. Notice has been provided to the Governing Body in accordance with Tex. Gov't Code, §2306.67071(a); and
2. The Governing Body has had sufficient opportunity to obtain a response from the Applicant regarding any questions or concerns about the proposed Development; and
3. The Governing Body has held a hearing at which public comment may be made on the proposed Development in accordance with Tex. Gov't Code, §2306.67071(b); and
4. After due consideration of the information provided by the Applicant and public comment, the Governing Body does not object to the proposed Application; and

FURTHER RESOLVED that for and on behalf of the Governing Body, **[name, position of authorized person]** are hereby authorized, empowered, and directed to certify these resolutions to the Texas Department of Housing and Community Affairs.

Third Party Legal Opinion for Nonprofit Set-Aside

Pursuant to 10 TAC §11.204(14)(A)(iii), Competitive HTC Applications involving a §501(c)(3) or (4) nonprofit General Partner and which meet the Nonprofit Set-Aside requirements must submit a Third Party Legal Opinion. The Third Party Legal Opinion must be submitted by the Full Application Delivery Date as identified in 10 TAC §11.2(a), regarding Competitive HTC Deadlines. A sample opinion is provided below.

[Date]

To: Texas Department of Housing and Community Affairs
P.O. Box 13941
221 East 11th Street
Austin, TX 78711-3941

Re: **[Name of Development]**
[Address of Development]
[Development Owner]

Ladies and Gentlemen:

[Applicant entity], a limited partnership, is the Applicant. **[Nonprofit entity]**, a nonprofit corporation, is the **[managing general partner/managing member]** of the Applicant. We have been asked to render our legal opinion to meet the requirements of Tex. Gov't Code, §2306.6706 and 10 TAC §11.204(14)(A)(iii). This opinion is issued to the Texas Department of Housing and Community Affairs (the "Department") so that the Department, its governing board, and its staff may rely on it in making any determinations that the Applicant is eligible under Tex. Gov't Code, §2306.6706(b) for a housing tax credit allocation from the nonprofit set-aside.

In rendering our opinion, we have reviewed the Certificate of Formation and Bylaws of **[Nonprofit corporation]**, the **[managing general partner/managing member]** of the Applicant and the Letter of Determination dated **[date]** from the Internal Revenue Service regarding the managing general partner's status as an organization exempt from taxes under the Internal Revenue Code. We have also examined the records of **[Nonprofit corporation]** to determine whether or not there exists any identity of interest between **[Nonprofit corporation]** and any for-profit sponsors of the above-referenced development, (the "Development"). We have reviewed the original or certified copies of the development agreement, the partnership agreement, and such other documents, instruments, and writings as we deemed necessary or advisable to enable us to render this opinion. We have assumed and relied upon the genuineness of all certifications and have no reason to question them. The review of all such documents, individually and collectively, forms the basis for our opinion.

Based upon the foregoing, it is our opinion that:

- (1) **[Nonprofit organization]** is not affiliated with or Controlled (within the meaning of 10 TAC §11.1(d)(30)) by a for-profit organization with respect to the Development.
- (2) **[Nonprofit organization]** is a "Qualified Nonprofit Organization" within the meaning of §2306.6706 and §42(h)(5) of the Internal Revenue Code.

- (3) **[Nonprofit organization]** is an organization described in paragraph (3) or (4) of §501(c), is exempt from taxation under §501(a) of the Internal Revenue Code, and is an organization that has its Internal Revenue Service documentation of designation as a Section 501(c)(3) or 501(c)(4) organization as of the beginning of the Application Acceptance Period. **[Nonprofit organization]** is the sole **[managing general partner/managing member]** of the Applicant.
- (4) **[Nonprofit organization]** is an organization which specifically has the providing of low-income housing as one of its tax exempt purposes and the development and operation of the Development as low income housing is a legal purpose of the Applicant.
- (5) **[Applicant]** is eligible for a housing credit allocation from a set-aside reserved for the use of qualified nonprofit organizations. **[Provide the basis for that opinion. Eligibility is contingent upon the nonprofit organization controlling the Development, or if the organization's Application is filed on behalf of a limited partnership, or limited liability company, being the sole General Partner (or Managing Member); and otherwise meeting the requirements of Tex. Gov't Code §§2306.6706 and 2306.6729 and Internal Revenue Code §42(h)(5)].**
- (6) **[Qualified Nonprofit Development]** will have the managing general partner or an affiliate or subsidiary that is also a nonprofit entity or its nonprofit affiliate or subsidiary **meeting the requirements of Tex. Gov't Code §2306.6706 and §2306.6729 and Internal Revenue Code §42(h)(5)** be the Developer or co-Developer as evidenced in the development agreement.
- (7) **[Nonprofit organization]** prohibits any member of its board of directors, other than a chief staff member, serving concurrently as a member of the board, from receiving material compensation for service on the Board.
- (8) **[Nonprofit organization]** has the ability to do business as a nonprofit in Texas.

Sincerely,

[Name of attorney rendering opinion]

Third Party Reports

Pursuant to 10 TAC §11.204 and 11.205, certain Third Party Reports are required as part of a complete Application to the Department. The reports are required to include specific language regarding publication, along with other statements regarding reliance and objectivity as described in each applicable section of the QAP, as below.

Feasibility Report

Pursuant to 10 TAC §11.204(15)(A) regarding Feasibility Reports, **(report preparer)** acknowledges that the Department may publish the full report on the Department's website, release the report in response to a request for public information and make other use of the report as authorized by law.

Environmental Site Assessment (ESA)

Pursuant to 10 TAC §11.305(a) related to Environmental Site Assessment Rules and Guidelines, this report has been conducted by a **(report preparer)** at the expense of the Applicant, and is addressed to the Texas Department of Housing and Community Affairs as a User of the report (as defined by ASTM standards).

(report preparer) or their company will not materially benefit from the Development in any other way than receiving a fee for performing the ESA, and the fee is in no way contingent upon the outcome of the assessment, and acknowledges that the Department may publish the full report on the Department's website, release the report in response to a request for public information and make other use of the report as authorized by law.

(report preparer) has read and understood the requirements of 10 TAC §11.305 related to Environmental Site Assessment Rules and Guidelines.

Scope and Cost Review (SCR)

Pursuant to §11.306(a) related to Scope and Cost Review Guidelines, **(report preparer)** acknowledges that the Department may publish the full report on the Department's website, release the report in response to a request for public information and make other use of the report as authorized by law.

Appraisal

Pursuant to 10 TAC §11.304(a)(1) related to Appraisal Rules and Guidelines, **(report preparer)** has read and understood the requirements of 10 TAC §11.304 and is a disinterested party who will not materially benefit from the Development in any other way than receiving a fee for performing the appraisal and that the fee is in no way contingent upon the outcome of the appraisal.

Pursuant to 10 TAC §11.304(d)(1) related to Appraisal Contents, **(report preparer)** acknowledges that the Department is granted full authority to rely on the findings of the report, and acknowledges that the Department may publish the full report on the Department's website, release the report in response to a request for public information and make other use of the report as authorized by law."

Market Analysis

Pursuant to 10 TAC §11.303(a) related to Market Analysis Rules and Guidelines **(report preparer)** has read and understood the requirements of 10 TAC §11.303. **(report preparer)** is a disinterested party and will not materially benefit from the Development in any other way than receiving a fee for performing the Market Analysis, and that the fee is in no way contingent upon the outcome of the Market Analysis.

(report preparer) acknowledges that the Department may publish the full report on the Department's website, release the report in response to a request for public information and make other use of the report as authorized by law.