



Tennessee Housing Development Agency

404 James Robertson Parkway, Suite 1200

Nashville, Tennessee 37243-0900

615-815-2200

Ted R. Fellman
Executive Director

Writer's Phone Number
615-815-2200

Writer's Fax Number
615-564-2700

MEMORANDUM

DATE: August 27, 2009
TO: Recipients of a Tax Credit Assistance Program (TCAP)/Section 1602
Conditional Commitment Letter
FROM: Lynn Miller, Deputy Executive Director & General Counsel
SUBJECT: Modification to Conditional Commitment Letter

This memo applies to recipients of a Tax Credit Assistance Program (TCAP)/Section 1602 Conditional Commitment Letter ("Conditional Commitment Letter"), who are also identified in Part IV.F. of the THDA Tax Credit Assistance Program (TCAP) 2009 Program Description dated July 2, 2009, as required to apply for TCAP funding.

The following Paragraph 10 is intended to clarify existing language in the Conditional Commitment Letter in conformity with "TCAP Questions and Answers: National Environmental Policy Act (NEPA) & Related Laws" posted on the HUD Recovery website at:

<http://portal.hud.gov/portal/page/portal/RECOVERY/programs/TAX>

The following Paragraph 10 shall be deemed to be included in each Conditional Commitment Letter as of the date of such Conditional Commitment Letter:

10. (a) Notwithstanding any provision of this Conditional Commitment Letter to the contrary, the parties hereto agree and acknowledge that this conditional Commitment Letter does not constitute a commitment of funds or site approval, and that such commitment of funds or approval may occur only upon satisfactory completion of the federal environmental review and receipt by THDA of an executed "Authority to Use Grant Funds" (HUD 7015.16) or equivalent letter. The parties further agree that the provision of any funds to the Development is conditioned on THDA's determination to proceed with, modify or cancel the Development based on the results of a subsequent environmental review.

(b) Notwithstanding any provisions of this Conditional Commitment Letter to the contrary, the parties hereto also acknowledge and agree that neither Owner nor any contractors shall undertake or commit any funds to physical or choice-limiting actions, including property acquisition, demolition, movement, rehabilitation, conversion, repair or construction, or leasing or disposition prior to the execution of the "Authority to Use Grant Funds" (HUD 7015.16) or equivalent letter. The Conditional Commitment Letter shall not be deemed to require the execution of a construction contract prior to the completion of the federal environmental review and execution of the "Authority to Use Grant Funds" (HUD 7015.16) or equivalent letter.

(c) Notwithstanding any provisions of this Conditional Commitment Letter to the contrary, violation of these provisions may result in the denial of any funds under the Conditional Commitment Letter.

LEM/ds