

TDHCA HTC EXCHANGE SUBAWARD PROGRAM CLOSING PROCESS INSTRUCTIONS

The following outlines the steps by which an Exchange transaction will be closed with the Department:

- 1) All documents for the Exchange program are posted on the Exchange program website. Documents are to be completed by the Development Owner, their Lender and/or Attorney. Once completed, the documents are to be uploaded to the FTP account and original signature documents are to be sent to:

Texas Department of Housing and Community Affairs
ATTN: Teresa A. Shell
HTC Exchange Administrator
221 E. 11th Street
Austin, Texas 78701

(512) 936-7834

- 2) Upload all the items required in Exhibit C of the Exchange Subaward Agreement to the appropriate FTP account. Send any documents/items that cannot be uploaded to the FTP account to:

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- 3) Draws for funds will be done electronically within the TDHCA Housing Contract System. TDHCA staff will need the following forms, as listed in Exhibit D of the Exchange Subaward Agreement, in order to set up the account (links to the forms are located within Exhibit D):
 - a) The Texas Identification Number (TINs) application form – upload a copy to the FTP account
 - b) The Direct Deposit form – upload a copy to the FTP account and ***send the original to TDHCA.***
 - c) The TDHCA Contract System Access Request Form – upload a copy to the FTP account ***and*** email Lisa Fehr, Exchange Specialist at lisa.fehr@tdhca.state.tx.us to obtain a user ID and password.

NOTE: The FTP accounts do not automatically notify TDHCA staff if items have been uploaded. Once the above items are uploaded, please notify lisa.fehr@tdhca.state.tx.us in order to have your Contract System account set up.

- 4) Have confirmation that the Department's Real Estate Analysis Division has completed underwriting and approved the transaction for the indicated amount. If there are outstanding items and/or contingencies to closing, have those items listed in the Exchange Subaward document (Exhibit C provides a space for those items to be included).
- 5) The Development Owner's organizational documents must be amended to specifically allow for TDHCA to exercise an Option to purchase an interest in the Development Owner. The required amendment language is posted on the main Exchange website. Development Owners will need to upload a copy of the amended and restated LP or LLC document to the FTP account.
- 6) Section 7.1J of the Exchange Written Agreement requires the Development Owner to certify that the land acquisition for the Development has been, or will be, purchased with funds other than Exchange Funds. The Exchange Land Acquisition Certification form is located on the main Exchange website. Development Owners are to execute the Certification, upload it to the FTP account and submit the original to TDHCA.
- 7) Have each and all of the documents listed below properly completed and executed by all parties and returned in **original form** by courier to:

Texas Department of Housing and Community Affairs
ATTN: Teresa A. Shell
HTC Exchange Administrator
221 E. 11th Street
Austin, Texas 78701

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- a) Tax Credit Exchange Program Subaward Agreement
- b) Option Agreement
- c) Pledge and Security Agreement(s)
- d) Disbursement Agreement
- e) Subordination Agreement
- f) Recapture Mortgage
- g) LURA (in recordable form)
- h) Certified Articles or certificate of LP, with all amendments
- i) Amended and restated LP or LLC Agreement – amended for TDHCA Option
- j) Certified resolution or other evidence of authority to execute and deliver documents
- k) Direct Deposit form
- l) If foreign, certificate of authority to transact business in the State of Texas
- m) Certificate of Good Standing from Comptroller of Public Accounts
- n) Land Acquisition Certification from Development Owner – as required in section 7.1J of the Exchange Written Agreement

Of the list above, the following documents will ***need to be recorded and a certified copy*** of the recorded document returned to TDHCA:

- Option Agreement
- Subordination Agreement
- Recapture Mortgage
- LURA