

## 2010 Exchange Policy

WCDA has determined that there will be Section 1602 Tax Credit Exchange (TCX) funds available for projects applying for awards in 2010. The total Tax Credits (amount requested for syndication plus amount requested to be exchanged) a project may receive will be limited to the lesser of the limitations outlined in the Allocation Plan or 9% of the Eligible Basis. If exchange is needed, we will follow the Allocation Plan:

- projects needing to exchange less than 50% will have a priority,
- those needing to exchange more than 50% but less than 65% will be placed on a waiting list to see if sufficient Exchange funds are available,
- those projects needing over 65% exchanged will be considered infeasible and will not be considered for an award.

**The percentages listed above are subject to change.** Final percentages will be based on the total amount of credits requested, and the average percentage each project is requesting to be exchanged.

**Please note: Additional deadlines and requirements apply to projects requesting Section 1602 Tax Credit Exchange funds. 100% of the TCX funds must be expended on eligible expenses by December 31, 2010; unless at least 30% of the total adjusted basis in the land and depreciable property that is reasonably expected to be part of the low-income housing project has been expended by December 31, 2010 AND 100% of the funds have been expended by December 2011. An accountant's Cost Certification will be required to substantiate the 30% expenditure. IF PROJECTS CAN NOT MEET THESE DEADLINES/REQUIREMENTS EXCHANGE FUNDS WILL NOT BE AWARDED.**

(effective 12/11/09)