



# **STATE OF NEW MEXICO HOUSING TAX CREDIT PROGRAM**

2021 Carryover, 10 Percent Test,  
Evidence of Construction Start, Placed-  
in-Service and Final Allocation  
Application  
Training Workshop

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**New Mexico Mortgage Finance Authority**

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LIHTC  
Carryover, 10 Percent Test, Evidence of Construction Start, Placed-in-Service and Final  
Allocation Application Training Workshop

September 23, 2021

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## LIHTC

# Carryover, 10 Percent Test, Evidence of Construction Start, Placed-in-Service and Final Allocation Application Training Workshop

September 23, 2021

# Agenda

1. Carryover Allocation Application
2. 10 Percent Cost Submission
3. Evidence of Construction Start
4. Placed in Service Application
5. Final Allocation Application
6. Underwriting Topics
7. Timelines and Documents

# Carryover Allocation: Reservation vs. Allocation

- Initially, the 8609 was only way to allocate credits (no carryover required); the law was amended to allow for a carryover allocation.
- Agencies use Reservation as an internal step. MFA issues preliminary and final reservation letters, then issues a carryover allocation.
- A carryover allocation is required for all projects that will not be placed in service during the year in which a reservation letter is issued. Projects are expected to be placed in service no later than the end of the second year following the year when the carryover allocation is issued.
- Treasury Regulation 1.42-6 defines documents needed for carryover allocation

# Carryover Allocation: Internal Revenue Code

A carryover allocation is an allocation that meets the requirements of §42(h)(1)(E) or (F):

I.R.C. §42(h)(1)(E)(i) An allocation meets the requirements of this subparagraph if such allocation is made with respect to a *qualified building* which is placed in service not later than the close of the second calendar year following the calendar year in which the allocation is made.

# 10% Basis Test: Internal Revenue Code

A carryover allocation may only be made with respect to a qualified building.

I.R.C. §42(h)(1)(E)(ii) Qualified Building---For purposes of clause (i), the term “*qualified building*” means any building which is part of a project if the taxpayer’s basis in such project (as of the later of the date which is one year after the date that the allocation was made) is more than 10 percent of the taxpayer’s reasonably expected basis in such project (as of the close of the second calendar year referred to in clause (i)).

# Requirements for Allocation: Internal Revenue Code

An allocation pursuant to §42(h)(1)(E) or (F) is made when an allocation document containing the following information is completed, signed and dated by an authorized official of the Agency:

- (i) The address of each building in the project, or if none exists, a specific description of the location of each building;
- (ii) The name, address and taxpayer identification number of the taxpayer receiving the allocation;



# Requirements for Allocation: Internal Revenue Code

- (iii) The name and address of the Agency;
- (iv) The taxpayer identification number of the Agency;
- (v) The date of the allocation;
- (vi) The housing credit dollar amount allocated to the building or project, as applicable;
- (vii) The taxpayer's reasonably expected basis in the project (land and depreciable basis) as of the close of the second calendar year following the calendar year in which the allocation is made;

# Requirements for Allocation: Internal Revenue Code

- (viii) The taxpayer's basis in the project (land and depreciable basis) as of the close of the calendar year of the allocation and the percentage that basis bears to the reasonably expected basis in the project (land and depreciable basis) as of the close of the second following calendar year;
- (ix) The date that each building in the project is expected to be placed in service; and
- (x) The Building Identification Number (B.I.N.) to be assigned to each building in the project.

# Election to Lock in Tax Credit Rate

Projects have the option to lock in the Credit Rate for the construction/rehabilitation expenditures at time of carryover allocation or at date on which the building is placed in service. The decision to lock or not at carryover is irrevocable.

If an election is not made to lock the rate at carryover on the Option to Lock Credit Form, the Credit Rate will be the rate for the month in which the project is Placed in Service.

Note: 9% credits have a floor of 9%, so the election at carryover is optional.

# MFA Carryover Application

## Requirements:

- Updated Project Application & Schedules A-F (w/ changes highlighted in yellow);
- Completion of “Assignment of BIN” form;
- Architect’s Certification + Narrative of Material Changes
- HERS Information Statement
- Option to Lock Credit Percentage form;
- Certificate of Partnership/Certificate of Good Standing;
- Amended and Restated Limited Partnership Agreement or Operating Agreement;

# MFA Carryover Application

- Recorded deed or executed lease vested in the name of the owner entity- (e.g., partnership);
- Evidence of zoning – if exempt at application;
- Contractor's resume – if not provided at application or if contractor has changed;
- All financing commitments – construction and permanent, including a letter of intent from equity provider;
- Risk Share financing – HUD Firm Approval Letter required prior to purchase of land and/or buildings;
- Rehabilitation Projects- appraisal & capital needs assessment;
- Historic Projects- NPS approval of historic certification;

# MFA Carryover Application

- For Households with Special Housing Needs projects, Use Certification, Service Coordination Certification, Unit Set-Aside Form, Service Coordination Plan and Budget; along with MOU's for any qualified service providers;
- HUD Financing:
  - Site appraisal and market analysis (SAMA) (new construction)
  - HUD feasibility application (rehabilitation);
- Projects with federal loans must complete required Environmental Review; and
- Eventual Tenant Ownership – Local Government letter regarding subdivision and building code requirements.

# MFA Carryover Application

- Copy of application, checklist, sample forms and instructions are available on MFA website at [Current and Prior Tax Credit Rounds | New Mexico Mortgage Finance Authority \(housingnm.org\)](https://housingnm.org)
- Submission date 11/15/21- submit Application in conformance with Section IV.A.4.b of QAP (hard copy + electronic copy, tabbed, bookmarked).
- REMEMBER: \$500 extension fee per week for submission of late or missing documents.
- Carryover documents sent out by MFA in early December and must be returned for MFA's signature before the end of the year.

# 10% Cost Test Submission

Each project issued a carryover allocation must provide evidence that the basis in the project exceeds 10% of the reasonably expected total basis (referred to as the “10% test”).

## Requirements:

- Independent Auditor’s Report;
- Exhibit A to above (itemized expenditures);
- Owner’s Attorney’s Opinion (required form).

Due no later than August 31, 2022



# Construction Start

MFA must approve construction start (Section IV.C.7, p. 59).

Applicant Certification required and if there are Material Design Changes, detailed Narrative required. (2021 Mandatory Design Standards, Part B).

Design Review Additional Amount Due w/in 20 days of billing (Section IV.B, p. 56).

Each project issued a carryover allocation must also provide evidence of construction start to MFA no later than August 31, 2022.

# Construction Start

## Requirements:

- Building Permits
- Contractor's Application and Certificate for Payment (if available)
- Site Photographs (color)
- Executed partnership agreement
- Deed evidencing that Project Owner has purchased the land (and buildings, if applicable). For tribal projects this includes fully executed master lease and sub-lease agreements with evidence of filing with BIA.

# Questions



# Placed-in-Service and Final Allocation Applications

Copy of application, checklist, sample forms and instructions are available on MFA website at <https://housingnm.org/developers/lihtc/current-and-prior-tax-credit-rounds>

- On or before November 15th of the 2nd year following the Carryover Allocation, a Placed in Service (minimum requirement) or a Final Allocation application must be submitted.
- Failure to meet this requirement will result in a loss of credits!
- \$500 weekly extension fee for late or missing documents - extensions granted at MFA's discretion.
- Final Allocation Application is required to issue 8609's and must be submitted no later than 120 days from the close of the Project's first taxable year of the Credit Period.

# Placed-in-Service Application

## Requirements:

- Submit Application in conformance with section IV.A.4.b of QAP (hard copy + electronic copy, tabbed, bookmarked).
- Development Project Application Update – II, III, IV;
- Certificate of occupancy for each building or certificate of completion (rehab);
- Color Photographs of each building and amenities;
- Project Ownership Profile;
- Form 8609 Certification;
- Recorded consents from every lien holder for recording of LURA;

# Final Allocation Application

## Requirements:

- Complete updated application and schedules A-1, B, C, D, and F;
- Schedule “M” Addendum for Final Allocation;
- Written certification from the equity investor;
- Owner’s certification Form “A” and Form “A-2”;
- Auditor’s report Form “B”;
- Certification of Costs Incurred by building Form “C-1” for owner and Form “C-2” for general contractor;
- Attorney’s opinion (required form);
- As-Built Architect Certification (required form);

# Final Allocation Application

- As-Built Plans (may be submitted electronically through our Secure File Transfer portal);
- Final Contractor's Pay Application;
- Updated Cash flow analysis;
- Complete executed partnership or operating agreement;
- Compliance Training Certification for both owner and management agent;
- Certification of federal, state and local funds;
- Copies of all other cost certifications;
- First year compliance fee (set aside units x \$50) - may elect to pay entire 15-year compliance period upfront;

# Final Allocation Application

- Copy of recorded LURA
- Updated service enrichment MOUs/contracts
- Fully executed Deferred Fee Promissory Note, if applicable
- Evidence of HERS rating
- Copy of current rental assistance contract (if applicable)
- For 4 percent LIHTC bond projects, final executed financing documents from all sources
- If project received points under Scoring Criteria #20 Non-Smoking Properties, copy of the relevant Certification



# Final Allocation Application

Final approval will occur upon receipt of an approval recommendation from MFA's architect that all outstanding issues, if any, have been resolved. MFA must approve the final construction completion inspection.

# Land Use Restriction Agreement (LURA)

I.R.C. Section 42(h)(6) requires imposition of “an extended low-income housing commitment”

LURA sets forth:

- Covenants running with the land for a minimum 30 years (or more as promised);
- Compliance fees;
- Set-asides;
- Special housing needs to be served;
- Any other such commitments.
- Cannot be terminated prior to its term for any reason other than foreclosure.
- Owner does not have the right to require MFA to present a qualified contract.
- A LURA must be executed and recorded prior to December 31st to claim credits in the year that the buildings are placed in service.

# Form C-2: General Contractor Cost Certification

The GC Cost Certification Process is required of all general contractors and is required to establish the total actual costs incurred by the GC in the delivery of the project.

This should include all ordinary and necessary expenses directly related to the construction contract to deliver the project:

- amounts paid or owing to all subcontractors,
- all labor and material required for the purpose of performing the contract,
- insurance premiums,
- and all types of ordinary and necessary costs related to the construction (light, power, telephone, water and other utilities furnished to the construction job, and all other ordinary expenditures of the contractor incidental to the performances of the contract).

# Form C-2: General Contractor Cost Certification

Labor can be aggregated in one total for each cost line item, but all subcontractors/vendors paid for said labor must be identified and included in the information provided. In such a case, insert a comment under the “Name of Subcontractor or Payee” column header indicating there are multiple payees for that cost line item.

If a subcontractor is providing both labor and material for a specific line item and a separation of labor and material costs cannot be detailed, then the cost for that specific line item can be reported as a combined total.

Each subcontractor, or payee, must be identified as either being related, or not being related, to the GC and the Developer or its affiliates.

# Form C-2: General Contractor Cost Certification

Tab 2-Descriptions is a trade item listing, clarifying the desired trade item captions and a general description of what should be included in each of those trade items.

All expenditures must be reduced by the amounts of any rebates, allowances, trade discounts, reimbursements, adjustments, cost saving, or other sums that the GC and/or the owner/applicant has received or is to receive.

Detailed instructions can be found on Tab 1.

As with all MFA required documents, Form C-2 should be submitted both electronically and in a hardcopy form.

# MFA Placed-in-Service and Final Allocation Application Forms

- LIHTC application packages on MFA's website at:  
<https://housingnm.org/developers/lihtc/current-and-prior-tax-credit-rounds>

# Questions



# Tax Credit Proceeds at Application, Carryover and Final

From 2021 QAP, Beginning on page 64, Section IV.E. Tax Credit Proceeds:

- At Initial Application: 9 percent fixed Credit Percentage and 12-month average Credit Percentage (for acquisition expenses) used in conjunction with the more conservative equity-pricing factor of the syndicator letter of interest or underwriting supplement to estimate Tax Credit proceeds
- At Carryover: Credit Percentage same as above and used in conjunction with the equity-pricing factor of the syndicator letter of intent to estimate Tax Credit proceeds
- At Final Allocation: Actual Credit Percentage for month building is Placed in Service, or at Carryover if locked, is used in conjunction with the equity-pricing factor of the partnership agreement to calculate proceeds



# Developer, Architect and Builder Fees

From 2021 QAP, Page 61, Section IV.D.2.:

- Builder fees are locked in at 8609; any builder fees in excess of the percentage limitations are excluded from eligible basis.
- Maximum developer fee is locked in Initial Application for 9% Projects. Increases in Project costs do not increase developer fees calculated for Tax Credit Allocation purposes.
- Architect/Engineering Fees – locked at Initial Application; but may request increase justified by a change in scope to the Project. Any changes require MFA approval. Any change in the scope of the Project that results in increased fees for which an exception is being requested constitutes a change to the Project.

# Calculation of Builder Fees

\$4,312,000 Construction Costs before GRT, Profit, Overhead & GR  
6% Allowed percentage for Profit and General Requirements  
\$ 258,720 Maximum for Profit and General Requirement

\$4,312,000 Construction Costs before GRT, Profit, Overhead & GR  
2% Allowed percentage for Overhead  
\$ 86,240 Maximum for Overhead

# Calculation of Developer Fee

(See MFA 2021 QAP Section IV.D.2.b for specific per unit limits)

For Example:

6,721,500	Total Development Cost
(708,000)	Less: Developer Fee
<u>( 95,000)</u>	Less: Reserves
5,918,500	Adjusted Development Cost
14%	Allowed Max Percentage (depending on # of units)
828,590	Max developer fee*

\*This fee includes all consulting fees

# Cost Limits

From 2021 QAP, Page 57, Section IV.C.2.:

- New Construction – 130% of average TDC per Unit for all new construction and adaptive reuse in the round
- Rehabilitation – 100% of average TDC per Unit for all new construction and adaptive reuse in the round
- Costs that exceed these limits will be excluded when calculating the Tax Credit amount. These limits are binding through Final Allocation.

# Timelines and Documents

A list of key dates and requirements following Reservation can be found on pages 69 – 73 of the QAP

In addition to the discussed requirements, projects awarded tax credits must supply quarterly progress reports during construction and through to final allocation.

All documents and forms will be posted on the MFA website:

<https://housingnm.org/developers/lihtc/current-and-prior-tax-credit-rounds>

# Questions



# HOUSING TAX CREDIT PROGRAM

## 2021 CARRYOVER ALLOCATION APPLICATION



**NEW MEXICO  
MORTGAGE FINANCE AUTHORITY**

## **2021 CARRYOVER ALLOCATION and 10 PERCENT TEST/CONSTRUCTION START APPLICATION INSTRUCTIONS**

**General.** Projects that have received a Preliminary Reservation of 2020 Housing Tax Credits but which cannot be Placed in Service by December 31, 2021 must qualify for a Carryover Allocation prior to year end. These instructions describe MFA's requirements to determine a Project's eligibility for a Carryover Allocation.

**"10 Percent Test"** The "10 Percent Test" rule in IRS Code Section 42 requires that the owner's basis in the Project exceeds 10 percent of the owner's reasonably expected total basis in the Project on completion. The timing for Projects to meet this requirement has changed recently as the Code was amended in 2001 and again in 2008. As a result, year end Carryover Processing has become a two-part process for most New Mexico Projects. The Carryover Allocation will be made based on documents that you must submit to MFA by November 15, 2021. However, the 10 Percent Test will be made based on documents that you may submit up until August 31<sup>st</sup>, 2022. A checklist that distinguishes between the two deadlines, along with application materials, is attached for each of these submissions. **Failure to submit the complete application for either of these deadlines will be considered a voluntary return of the Tax Credit award. Meeting both sets of requirements in November 2021 simplifies the process but is not mandatory.**

### **PART I: CARRYOVER ALLOCATION APPLICATION (Due November 15, 2021)**

#### **Minimum Requirements for All Projects with 2021 Tax Credit Allocations (includes Projects receiving a 2022 forward allocation or 2021/2022 "split" allocation):**

To qualify for a Carryover Allocation the following requirements must be met and all materials listed on the attached checklist must be submitted to MFA no later than 5:00 p.m. Local Time, November 15, 2021:

1. The Applicant must deliver evidence that the Project Owner has taken ownership of the land or depreciable real property or has executed a lease for the land (and buildings if applicable) with a term extending at least 3 years beyond that of any agreed upon use restriction period. For tribal Projects, this includes a fully executed Master lease and sublease with evidence of filing with the Bureau of Indian Affairs; and
2. The Applicant must deliver all items listed in the Carryover Allocation Requirements Checklist (enclosed) in conformance with § IV.A.4.b) of the QAP (hard copy + electronic copy, tabbed, bookmarked; and
3. At the time of Carryover, the Applicant may elect to lock in the Applicable Percentage (i.e., the Tax Credit Rate) for the Project. This is done through the Applicant's completion of a form with the Carryover Allocation package and confirmed in the Carryover Allocation Agreement.

A sample Carryover Allocation and Carryover Allocation Agreement are included for your information only. MFA staff will complete these documents and return them for your signature after the Carryover Application has been reviewed and approved.

**Processing Steps:** The Steps for Processing of the Carryover Allocation Application are as follow:

1. November 15, Applicant submits Carryover Allocation Application to MFA;



2. MFA reviews for completeness and underwrites Project to ascertain financial viability and recalculate (re-underwrite) the credit amount;
3. MFA assigns BIN numbers;
4. MFA prepares and delivers Carryover Allocation and Carryover Allocation agreement and/or Binding Commitment (depending on whether the project is a split allocation or full forward allocation); and
5. Owner executes Carryover Allocation agreement (and/or Binding Commitment, as applicable) and delivers it to MFA prior to December 31, 2021. **Failure to have a fully executed carryover allocation agreement on or before December 31, 2021 will result in loss of the Tax Credits.**

**PART II: 10 PERCENT TEST AND CONSTRUCTION START SUBMISSION (Due August 31, 2022 or next business day thereafter)**

**Additional Requirements for 10 Percent Test:**

To meet the 10 Percent Test, the Applicant must provide evidence that the Applicant has incurred 10% of the total expected basis of the Project, as defined in IRS Code Section 42 (see part 42(h)(1)(E) and related provisions). To meet this benchmark the materials listed in the attached 10 Percent Test Requirements Checklist and Evidence of Construction Start must be submitted to MFA no later than 5:00 p.m. Local Time, on August 31, 2022 or next business day thereafter.

Please note that forms of Independent Auditor's Report and Owner's Attorney's Opinion are provided. These have been developed with the help of qualified professionals in each field. The form of Independent Auditor's Report is optional, but the form of Owner's Attorney's Opinion is required. If the MFA's form of Independent Auditor's Report is not used, the Owner must provide an opinion signed by the CPA certifying that the alternative format meets the requirements of IRC Section 42, as amended, and all other applicable laws, rules, and regulations. MFA will not make this determination.

**Processing Steps:** The steps for processing of the 10 Percent Test Submission are as follows:

1. No later than August 31, 2022, Applicant submits 10 Percent Test Submission and Evidence of Construction Start to MFA; and
2. MFA reviews for completeness and underwrites project to ensure that 10 Percent Test is met and confirms construction start.

**Location For Delivery:** Both packages must be submitted to MFA at the following address by mail or courier service:

MFA  
344 Fourth Street SW  
Albuquerque, New Mexico 87102  
Attention: Tax Credit Program Manager  
Housing Development/Housing Tax Credit Carryover Application

And submitted electronically via our File Sharing Site: <https://mfa.internal.housingnm.org/FileTransferHD>

**Further Information:** Contact Jeanne Redondo, Tax Credit Program Manager, at (505) 767-2210.

**CARRYOVER ALLOCATION REQUIREMENTS CHECKLIST**  
**For Submission No Later than November 15, 2021<sup>1</sup>**

**PROJECT NUMBER:** \_\_\_\_\_

**PROJECT NAME:** \_\_\_\_\_

**PROJECT OWNER:** \_\_\_\_\_

**Requirements<sup>2</sup>**

- ☐ 1. Updated Development Project Application Form and Schedules A-F, with any subsequent changes highlighted in yellow. Any change greater than 5 percent requires submission of a "Narrative" discussing each change (from \$XX to \$YY) and the reason(s) for the change. A current original signature and date are required. Update rents in Schedule B.
- ☐ 2. Complete Columns A and B of "Assignment of Building Identification Numbers" (Form attached) - (MFA will complete Column C.)
- ☐ 3. Architect's Certification (required form attached) and Narrative describing in detail any Material Design Changes made in the construction drawings between initial Application and Carryover.
- ☐ 4. HERS information- statement that Project Owner intends to achieve one of the following: (a) new construction projects: HERS score/certification not greater than 55; or (b) rehabilitation projects: HERS score/certification not greater than 65.
- ☐ 5. Option to Lock Applicable Credit Percentage (form attached).
- ☐ 6. Copy of the Certificate of Partnership/Certificate of Good Standing.
- ☐ 7. Copy of the Limited Partnership Agreement or Operating Agreement.
- ☐ 8. Evidence of required zoning approvals if not present in original Application.
- ☐ 9. Contractor's resume if not included in original Application.
- ☐ 10. All Financing Commitments including: construction and permanent loans, grants and secondary financing, and letter of intent from equity provider (see section IV.G.3.b of the QAP).
- ☐ 11. For Projects financed by HUD: Evidence that Applicant has submitted a site appraisal and market analysis (SAMA) application to HUD (for new construction projects) or a feasibility application (for rehabilitation Projects).
- ☐ 12. For Projects financed by MFA's 542(c) Risk Sharing Program: A HUD firm approval letter.
- ☐ 11. Rehabilitation Projects: Appraisal and Capital Needs Assessment of the existing Project, final construction drawings (if final construction drawings are available), and final form of the displacement/relocation assistance plan (as described in more detail in QAP scoring criterion no. 3).

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<sup>1</sup> November 15<sup>th</sup> is defined in the Glossary of the QAP.

<sup>2</sup> The documents described in this checklist shall be submitted to MFA in both hard copy and electronically, in accordance with the instructions set forth in Section IV.A.4.b) of the 2021 QAP.

- ☐ 12. Eventual Tenant Ownership Projects: Letter from Local Government evidencing that design meets the subdivision and building code requirements, including fire department requirements of the Local Government in effect at the time of the Carryover Allocation Request Deadline.
- ☐ 13. Historic Projects: National Park Service approval of Historic Certification – Part 2.

## 10 PERCENT TEST AND CONSTRUCTION START REQUIREMENTS CHECKLIST

For Submission No Later than August 31, 2022

PROJECT NUMBER: \_\_\_\_\_

PROJECT NAME: \_\_\_\_\_

PROJECT OWNER: \_\_\_\_\_

### 10 Percent Test

Done Y or N		Requirement
	1.	Independent Auditor's Report for Carryover Allocation;
	2.	Exhibit A to Independent Auditor's Report (form attached);
	3.	Auditor's Opinion (only if MFA form of Independent Auditor's Report is not used); and
	4.	Owner's Attorney's Opinion concerning the project's eligibility for Tax Credits under Section 42 of the Internal Revenue Code and 50% test.

\*Please note that sample forms of Independent Auditor's Report and Owner's Attorney's Opinion are provided. These have been developed with the help of qualified professionals in each field. The form of Independent Auditor's Report is optional, but **the form of Owner's Attorney's Opinion is required**. If the MFA form of Independent Auditor's Report is not used, the Owner must provide an opinion signed by the CPA certifying that the alternative format meets the requirements of IRC, Section 42, as amended and all other applicable laws, rules, and regulations.

### Evidence of Construction Start

Done Y or N		Requirement
	5.	Building Permits
	6.	Contractor's Application and Certificate for Payment (if available)
	7.	Site Photographs (in color)
	8.	Executed partnership agreement
	9.	Evidence that the Project Owner (who received the Carryover Allocation) has taken ownership of the land (i.e., recorded deed), and, if applicable, the depreciable real property, that is expected to be part of the Project. For tribal projects, this would include fully executed master and sub-lease agreements with evidence of filing with the Bureau of Indian Affairs.

# Assignment of Building Identification Numbers

**Instructions:** The IRS requires assignment of a Building Identification Number (BIN) to each of the Project's buildings at the time a Carryover Allocation is made even if the carryover allocation is made on a project basis. Please list the street address of each building in Column A below. If there is no street address, provide a specific description of the location of each building. In Column B, list the date each building is expected to be placed in service. Leave Column C blank; it will be completed by MFA.

COLUMN A	COLUMN B	COLUMN C
Building Address	Projected	BIN Number
Street Address, City, State, Zip	Placed-in-Service	
(or Description of Building Location)	Date	(reflecting the year the allocation is made)
1. _____	_____	NM - _____
2. _____	_____	NM - _____
3. _____	_____	NM - _____
4. _____	_____	NM - _____
5. _____	_____	NM - _____
6. _____	_____	NM - _____
7. _____	_____	NM - _____
8. _____	_____	NM - _____
9. _____	_____	NM - _____
10. _____	_____	NM - _____

## ARCHITECT'S CERTIFICATION

I have examined the drawings and specifications dated \_\_\_\_\_ prepared by \_\_\_\_\_ (architect) and related to the Project known as \_\_\_\_\_ (project name) located in \_\_\_\_\_ (city, state).

Based upon this examination, to the best of my knowledge and belief, the drawings and specifications conform to: (1) all local, state and federal laws designated as the development standard for the project including, but not limited to, the Fair Housing Laws as they pertain to handicapped accessibility and adaptability; (2) all local health, safety and building codes; (3) those requirements set forth in the New Mexico Mortgage Finance Authority's ("MFA") 2021 Low-Income Housing Tax Credit Qualified Allocation Plan ("2021 QAP") and MFA Year 2021 Mandatory Design Standards For Multifamily Rental Housing; and (4) all commitments made in the initial Project application regarding design and building, unless otherwise approved in writing by MFA.

Except as otherwise provided for in a separate Narrative attached hereto, there have been no "Material Design Changes", as that term is defined in the 2021 QAP, in the construction drawings and specifications submitted in the initial Application and those construction drawings and specifications proposed as of the time of this Certification. Based upon my examination of the proposed construction drawings and specifications, all commitments made in the initial Project application relating to design and building, have been incorporated into the construction drawings and specifications, except for any changes agreed to by MFA in writing.

(S E A L)

\_\_\_\_\_  
Architect's Signature

\_\_\_\_\_  
Date

Based on the foregoing representations by the Architect, the Project Owner certifies that the development will be constructed in accordance with the requirements set forth above.

\_\_\_\_\_  
Project Owner

\_\_\_\_\_  
Date

\_\_\_\_\_  
Project Owner

\_\_\_\_\_  
Date

**Option to Lock Applicable Credit Percentage  
Section 42(b) of the Code**

Applicable Credit Percentage. Pursuant to Section 42(b)(1)(A), the Project Owner and MFA may enter into an agreement as to the housing credit amount to be allocated to the Project for the purpose of establishing the "Applicable Percentage" as defined in Section 42(b).

- ☐ If this box is checked, the Owner hereby irrevocably elects, pursuant to Section 42(b)(1)(A)(ii)(I) of the Code, to fix the Applicable Percentage(s) for each building in the Project as the percentage(s) prescribed by the Secretary of the Treasury for the month of this Carryover Allocation Agreement. MFA and the Project Owner acknowledge that this Carryover Allocation Agreement constitutes an agreement binding upon MFA, the Project Owner, and all successors in interest to the Project Owner as owners of the Project, as to the allocation of 2021 tax credits to the building(s) in the Project, subject to compliance by the Project Owner with the requirements of Section 42 of the Code and the additional requirements, if any, of MFA.

MONTH: \_\_\_\_\_ APPLICABLE PERCENTAGE: \_\_\_\_\_%

- ☐ If this box is checked, the Project Owner has made no election pursuant to Section 42(b)(2)(A)(ii)(I) of the Code, and accordingly, the Applicable Percentage for a building shall be that for the month in which the particular building is placed in service.

**TEN PERCENT LETTER**

Independent Accountant's Report  
(To be submitted on Accounting Firm's Letterhead)

Date:

To: New Mexico Mortgage Finance Authority  
344 4<sup>th</sup> Street, SW  
Albuquerque, NM 87102

And

\_\_\_\_\_ (the "Project Owner")  
Address  
Address Line 2

Re: [PROJECT NAME], [MFA Project #]

We have examined the accompanying Certification of Costs Incurred ("Exhibit A") of the Project Owner for \_\_\_\_\_ (the "Project") as of \_\_\_\_\_, 20\_\_\_. Exhibit A is the responsibility of the Project Owner and the Project Owner's management. Our responsibility is to express an opinion on Exhibit A based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting Exhibit A and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

The accompanying Exhibit A was prepared in conformity with the accounting practices prescribed by the Internal Revenue Service under the accrual method of accounting and by the New Mexico Mortgage Finance Authority ("MFA"), which is a comprehensive basis of accounting other than generally accepted accounting principles.

The 10 percent Test includes an estimate prepared by the Project Owner of total development costs and reasonably expected basis, as defined in Treasury Regulation Section 1.42-6. We have not examined or performed any procedures in connection with such estimated total development costs and reasonably expected basis and, accordingly, we do not express any opinion or any other form of assurance on such estimates. Furthermore, even if the Project is developed and completed there will usually be differences between the projected and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

In our opinion, Exhibit A referred to above presents fairly, in all material respects, costs incurred for the Project as of \_\_\_\_\_, 20\_\_\_, on the basis of the accounting described above.

In addition to examining Exhibit A, we have, at your request, performed certain agreed-upon procedures, as enumerated below, with respect to the Project. These procedures, which were agreed to by the Project Owner and MFA, were performed to assist you in determining whether the Project has met the 10 percent Test in accordance with Internal Revenue Code Section 42(h)(1)(E) and Treasury Regulation Section 1.42-6. These agreed-upon procedures were performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified



users of the report. Consequently, we make no representation regarding the sufficiency of the procedures below either for the purpose for which this report has been requested or for any other purpose.

We performed the following procedures:

- We calculated, based on estimates of total development costs provided by the Project Owner, the Project's total reasonably expected basis, as defined in Treasury Regulation Section 1.42-6, to be \$\_\_\_\_\_ as of December 31, 2023.
- We calculated the reasonably expected basis incurred by the Project Owner as of \_\_\_\_\_, 2022 to be \$\_\_\_\_\_.
- We calculated the percentage of the development fee incurred by the Project Owner as of \_\_\_\_\_, 20\_\_ to be \_\_\_\_% of the total development fee.
- We compared the reasonably expected basis incurred as of \_\_\_\_\_, 2022 to the total reasonably expected basis of the Project and calculated that \_\_\_\_% had been incurred as of \_\_\_\_\_, 2022.
- We determined that the Project Owner uses the accrual method of accounting and has not included any construction costs in carryover allocation basis that have not been properly accrued.
- Based on the amount of total reasonably expected basis listed above, for the Project Owner to meet the 10 percent Test in accordance with Internal Revenue Code Section 42(h)(1)(E) and Treasury Regulation Section 1.42-6, we calculated the Project needed to incur at least \$\_\_\_\_\_ of costs prior to August 31, 2022. As of \_\_\_\_\_, 2022, costs of at least \$\_\_\_\_\_ had been incurred, which is approximately \_\_\_\_% of the total reasonably expected basis of the Project.

We were not engaged to and did not perform an audit of the Project Owner's financial statements or of the Project's total reasonably expected basis. Furthermore, even if the Project is developed and completed there will usually be differences between the projected and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. Accordingly, we do not express such an opinion. Had we performed additional procedures other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Project Owner and Project Owner's management and for filing with MFA and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes.

\_\_\_\_\_  
Signature of Professional

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name of Signatory

\_\_\_\_\_  
Title of Signatory

**FORM OF OWNER'S ATTORNEY'S OPINION**  
**[To be Submitted on Firm's Letterhead]**

[Date]

MFA  
344 4th Street SW  
Albuquerque, New Mexico 87102

Re: 2021 Housing Tax Credit Carryover Allocation Application

Name of Project: \_\_\_\_\_

Project Owner: \_\_\_\_\_

Project Owner's Federal Tax Identification Number: \_\_\_\_\_

MFA Tax Credit Program Manager:

We have acted as counsel to \_\_\_\_\_ (the "Project Owner") in connection with the Project Owner's application to the New Mexico Mortgage Finance Authority ("MFA") for a Carryover Allocation of housing tax credits with respect to the Project described in the Owner's Carryover Allocation Application.

We have examined the Carryover Allocation Application Package and the Project Owner's Rental Project Application with respect thereto (collectively, the "Application") and the Housing Tax Credit Carryover Allocation Agreement form between the Project Owner and MFA (the "Carryover Agreement"). We have also reviewed the report of the Project Owner's tax accountant relative to the costs of the Project, Section 42 of the Code, the regulations issued pursuant thereto and such other records of the Project Owner and binding authority as we believe to be applicable to the issuance of the opinions hereinafter expressed.

Based upon the foregoing reviews and upon due investigation of such matters as we deem necessary in order to render the opinions hereinafter expressed, but without expressing any opinion as to the reasonableness of the estimated or projected figures set forth in the Application, we are of the opinion that:

1. To the best of our knowledge, none of the information provided to MFA by the Project Owner in the Application is untrue or incomplete in any material respect.

2. Each building which is the subject of the Package meets the ten (10) year "look-back" requirements of Section 42(d)(2)(B) of the Code. **[If building does not meet requirements but is eligible for exception, so state and identify the basis for qualification.]**

3. *[Include when the seller and buyer are related persons and buyer desires to claim acquisition credits]* The seller and buyer are related persons, as that term is defined in I.R.C. Section 42(d)(2)(D)(ii). The seller's "deemed capital account" (or profits interest) in the owner/borrower is not more than 50% of the total capital or profits interests in the owner/borrower. This relationship does not violate the requirements for the 4% acquisition tax credit, and the owner/borrower is eligible for any acquisition tax credits allocated to the Project.

3. As of this date, each building in the Project for which a carryover allocation is requested in the Application is a qualified building as defined in Section 42(h)(1)(E)(ii) of the Code (that is, each is part of a Project in which the Project Owner's basis is more than 10 percent (10%) of said Project Owner's reasonably expected basis, as of December 31, 2023, in the Project), and, assuming that each building will be placed in service by December 31, 2023, as of this date, the Project Owner is eligible in accordance with Section 42(h)(1)(E) of the Code for an allocation of credits for the project in the maximum amount specified in the Application.

This opinion is rendered solely for the purpose of inducing MFA to make a carryover allocation of credits to the Project Owner. Accordingly, it may be relied upon only by MFA and not by any other party for any other purpose.

\_\_\_\_\_  
Firm Name

By: \_\_\_\_\_

Its: \_\_\_\_\_

## Universal Rental Development Application

New Mexico Mortgage Finance Authority  
344 Fourth Street SW  
Albuquerque, NM 87102  
505-843-6880



Date of Application: \_\_\_\_\_

**For MFA Use**

Project Number: \_\_\_\_\_

### SECTION I: Application Type

Application for Tax Credit Projects: \_\_\_\_\_

Amount of Annual Federal Credit Requested: \_\_\_\_\_

Amount of State Credit Requested: \_\_\_\_\_

Federal Tax Credit Set-Aside: \_\_\_\_\_

Federal Tax Credit Application Type: \_\_\_\_\_

Development Activity Type: \_\_\_\_\_

Federal Tax Credit Activity Type: \_\_\_\_\_

If using Tax Exempt Bonds, will MFA be the Issuer? \_\_\_\_\_

If Applicant is applying for MFA loans, please check all appropriate boxes below and include on Schedule A-1:

☐ HOME

☐ Ventana Fund\*

☐ Preservation Revolving Loan Fund (PRLF)

☐ Primero

☐ National Housing Trust Fund (NHTF)

☐ Risk Share

☐ New Mexico Housing Trust Fund (NMHTF)

Checking any of the above boxes indicates this Universal Rental Development Application will also serve as an initial application for the loan(s) indicated, and all items listed in the applicable subsection of the Attachments Checklist must be submitted as part of this application. Loan application fees are not required to be submitted with 9% applications but will be payable should the project receive a preliminary Tax Credit Reservation Letter. Upon issuance of the preliminary Tax Credit Reservation Letter, MFA staff will contact the Applicant if additional loan materials are required.

\*Application will be forwarded to Ventana Fund for review

### SECTION II: Project Address and Identification

Project Name: \_\_\_\_\_

Census Tract: \_\_\_\_\_

Project Address: \_\_\_\_\_

Congressional District: \_\_\_\_\_

State Senate District: \_\_\_\_\_

City: \_\_\_\_\_

State House District: \_\_\_\_\_

State: \_\_\_\_\_

Zip Code: \_\_\_\_\_

Urban Area or Rural Area \_\_\_\_\_

County: \_\_\_\_\_

(Per the 2021 QAP "Urban" definition)

(Attach additional sheet(s) if necessary)

### SECTION III: Description of Project

#### Subsidy, Period of Affordability - Use Restriction

Will project use project-based rental assistance subsidies? \_\_\_\_\_

No. of Units \_\_\_\_\_

Will project accept Section 8 vouchers or certificates? \_\_\_\_\_

#### Low Income Housing Tax Credit Applications:

Project owner irrevocably commits to an Extended Use Period of \_\_\_\_\_ years.\*

\*Includes 15 yr. compliance period

#### National Housing Trust Fund

The owner irrevocably commits to a use restriction period of \_\_\_\_\_ years.

**SECTION III: Description of Project (Continued)****Income, Rent and Occupancy Restrictions:**

The minimum Federal set-aside (for Federal Tax Credit or Risk-Sharing projects only) is:

**40% of Units at 60% of Area Median Income**

Note that only Low income units as determined by the Project's Set Aside Election are eligible for Tax Credits. For example, if the 20/50 Election is chosen, only Units that are rent restricted and set aside for tenants whose income does not exceed 50% of Area Gross Median Income are qualified as Low Income Units. See QAP §II.E.

List overall **RENT** restrictions

# Units	will be for households with incomes at or below	%	of the area median income
	will be for households with incomes at or below	20	of the area median income
	will be for households with incomes at or below	30	of the area median income
	will be for households with incomes at or below	40	of the area median income
	will be for households with incomes at or below	50	of the area median income
	will be for households with incomes at or below	60	of the area median income
	will be for households with incomes at or below	70	of the area median income
	will be for households with incomes at or below	80	of the area median income
	will be for households with no income limitation**	** Not available for LIHTC	
0	Total Rental Units		

List overall **INCOME** restrictions

# Units	will be for households with rents at or below	%	of the area median income
	will be for households with rents at or below	20	of the area median income
	will be for households with rents at or below	30	of the area median income
	will be for households with rents at or below	40	of the area median income
	will be for households with rents at or below	50	of the area median income
	will be for households with rents at or below	60	of the area median income
	will be for households with rents at or below	70	of the area median income
	will be for households with rents at or below	80	of the area median income
	will be for households at market rates**	**Not available for LIHTC	
0	Total Rental Units		

**Total Management Units** (considered facilities "reasonably required" for the project)

#DIV/0! **Low Income Units at 50% AGMI or below**

**Average Income**

**Target Population Information:**

% of Units	Population Type	# of Units

Supportive Services provided to residents?

Supportive Service costs included in rent?

Number of handicap accessible units:

**Site Information**

Site control is in the form of: ☐ Deed ☐ Option ☐ Lease ☐ Purchase Contract

☐ Other

Term (yrs)

Expiration date of contract, option or lease

(month/year)

Name of Seller or Lessor:

Address:

City:

State:

Telephone:

Zip code:

Is there an identity of interest between Buyer and Seller?

If yes, explain:

## Site Information (Continued)

Area of site: Acres  OR Square Feet

Is site zoned for your development?  Zoning

If no, is site currently in the process of re-zoning?  Re-zoning

When is the zoning issue to be resolved?  (month/year)

Has locality approved site plan?

Has locality issued building permit?

Are all utilities presently available to the site?

If no, which utilities need to be brought to the site?

Who has responsibility of bringing utilities to site?

## Rehabilitation - Buildings and Units

	# of Bldgs	Low income	Market rate	Mgr/Empl	Common	Commercial	Total
Buildings containing rental units	# of bldgs.]	# of units]	# of units]	# of units]			0
Gross square feet in buildings w/rental		Sq. Ft	Sq. Ft	Sq. Ft	Sq. Ft.	Sq.Ft.	0
Buildings w/o rental units	# of bldgs.]			# of bldgs.]			#VALUE!
Gross square feet in buildings w/o rental				Sq. Ft.	Sq. Ft.	Sq. Ft.	0
Total Units	# of units]	# of units]	# of units]				0
Total Sq. Ft.	Sq. Ft	Sq. Ft	Sq. Ft	#VALUE!	#VALUE!	#VALUE!	

Number of floors in tallest building:  Total number of elevators

Please check all applicable items:

- ☐ Apartments
 ☐ Detached units
 ☐ High rise (4 stories or more)
 ☐ Walk-up
 ☐ Slab on grade
- ☐ Townhome
 ☐ Semi-detached/duplex
 ☐ Mid rise (2-3 stories)
 ☐ Crawl space
- ☐ Group Home
 ☐ Assisted living
 ☐ Manufactured
 ☐ Other

Structural system:  Exterior finish:

Floor system:

## New Construction - Buildings and Units

	# of Bldgs	Low Income	Market Rate	Mgr/Empl	Common	Commercial	Total
Buildings containing rental units	# of bldgs.]	# of units]	# of units]	# of units]			0
Gross square feet in buildings w/rental		Sq. Ft	Sq. Ft	Sq. Ft	Sq. Ft.	Sq.Ft.	0
Buildings w/o rental units	# of bldgs.]			# of bldgs.]			#VALUE!
Gross square feet in buildings w/o rental				Sq. Ft.	Sq. Ft.	Sq. Ft.	0
Total Units	# of units]	# of units]	# of units]				0
Total Sq. Ft.	Sq. Ft	Sq. Ft	Sq. Ft	#VALUE!	#VALUE!	#VALUE!	

Number of floors in tallest building:  Total number of elevators

Please check all applicable items:

- ☐ Apartments
 ☐ Detached units
 ☐ High rise (4 stories or more)
 ☐ Walk-up
 ☐ Slab on grade
- ☐ Townhome
 ☐ Semi-detached/duplex
 ☐ Mid rise (2-3 stories)
 ☐ Crawl space
- ☐ Group Home
 ☐ Assisted living
 ☐ Manufactured
 ☐ Other

Structural system:  Exterior finish:

Floor system:

**Appliances and Amenities Provided Without Additional Charge:**

Amenity/Appliance	Market units	Low-income units
Refrigerator		
Gas range		
Electric range		
Dishwasher		
Disposal		
W/D hookups		
A/C or evap cooler		
Carpet		
Drapes/shades		
Exhaust fan		
Range hood		
Other		

**Monthly Utility Allowance Calculations:**

Utilities	Type of Utility	Utilities	Enter Allowances by Bedroom Size				
			0-bdr	1-bdr	2-bdr	3-bdr	___ bdr
Heating							
Evap cooling/AC							
Cooking							
Lighting, etc.							
Hot water							
Water							
Sewer							
Trash							
Total Utility Allowance for Units:			0	0	0	0	0

Source of Utility Allowance Calculation: \_\_\_\_\_

**Note: Documentation to support Utility Allowance claims from source identified above must be submitted with this application. Failure to do so will result in the application being deemed incomplete.****SECTION IV: Acquisition Projects Only**

Building(s) are vacant: \_\_\_\_\_

Does this project involve any relocation of tenants? \_\_\_\_\_

If yes, please describe the proposed relocation assistance and plan or attach a copy of the relocation plan: \_\_\_\_\_

Last date of occupancy mm/yy: \_\_\_\_\_

Year construction was completed: \_\_\_\_\_

Building(s) acquired or to be acquired from: \_\_\_\_\_

Building(s) acquired or to be acquired with Buyer's basis (Federal tax credit only): \_\_\_\_\_

Is this project a historic building? \_\_\_\_\_

Is the project located in a historic district? \_\_\_\_\_

Is a HUD approval for Transfer of Physical Assets required? \_\_\_\_\_

Are building(s) previously subsidized with Federal tax credits? \_\_\_\_\_

If yes, year of award \_\_\_\_\_ First year of credit period \_\_\_\_\_

List below, by address, the date the building was placed in service, the date the building was or is to be acquired, and the number of years between the date the building was placed in service and date of acquisition. Attach separate sheet(s) with additional information if necessary.

Address(es) of building(s)	Placed-in-service date (by most recent owner)	Proposed date of acquisition by applicant	Number of years between dates

**SECTION V: Developer/Project Contact Information**

Name:		Federal Tax I.D. Number:	
Address:		Telephone:	
		Fax:	
City:		Project contact:	
State:	Zip code:	Contact email:	

Organization type: 

\*Nonprofits must complete nonprofit developer information in Section VII of this application

**SECTION VI: Owner/Partnership/Borrower Information**

Note: MFA reserves Federal Tax Credits to the partnership and general partners. Reservations are not transferable. Any unapproved change in general partner status results in reservation, commitment, or carryover forfeiture.

Name of Borrower or Ownership Entity:	
Federal Tax I.D. Number:	
Type of Entity:	
If Other:	

List below: if Partnership, limited partners with a 25% or greater interest and all general partners; or if corporation/LLC, stockholders with a 10% or greater interest and all officers. Indicate "Title" i.e individual, Gen. Partner, Ltd Partner, Pres., Secy., Treas., Stockholder, etc. as appropriate. **(Federal Tax Identification Numbers are Required)**

Name:		Federal Tax I.D.:	
Title:		% Ownership:	
Address:		Contact:	
City:	State:	Zip code:	Phone:

Name:		Federal Tax I.D.:	
Title:		% Ownership:	
Address:		Contact:	
City:	State:	Zip code:	Phone:

Name:		Federal Tax I.D.:	
Title:		% Ownership:	
Address:		Contact:	
City:	State:	Zip code:	Phone:

**SECTION VII: Nonprofit Determination****(Federal Tax Credit, HOME, NHTF, and NMHTF Projects Only)**

If this project is to be considered for the Nonprofit Set-Aside, or for additional points for nonprofit participation, the following must be complete. To qualify for the nonprofit set-aside, the applicant must materially participate in the development and operation of the project throughout the compliance period. Within the meaning of IRC 469(h), "a (nonprofit) shall be treated as materially participating in an activity only if the (nonprofit) owns an interest in the project and is involved in the development and operation of the project on a basis which is regular, continuous or

Nonprofit name:		E.I.N.:	
Street address:		Telephone:	
City:	State:	Zip code:	
Contact person:		Email:	

Exemption Type: Exempt purposes includes fostering of Low-Income Housing: 

Will the nonprofit hold a 51% or greater interest in the General Partner (if partnership) or in the managing member (if LLC) and receive at least 10% of the developer fee?



**SECTION VII: Nonprofit Determination (Continued)**

Describe the nonprofit's participation in the development, operation, and/or management of the project:

**SECTION VIII: Previous Participation of Applicants**

♦ List all previous affordable multifamily housing development experience for each General Partner and any entity receiving all or part of a developer fee using Schedule H. If any Principal has an interest outside of the interests of the entities they represent, that Principal must complete a separate Schedule H.

♦ "Principal" means an applicant, any general partner of an applicant, and any officer, director, commissioner, shareholder, general partner, managing member, or an affiliate of an applicant. It also includes any entity receiving any part of a developer fee for a project.

**SECTION IX: Previous Participation of Management**

♦ List all previous multifamily management experience using Schedule I.

**SECTION X: Development Team Information**

	Developer Fee Amount	<sup>2</sup> Identity of Interest?
Developer <sup>1</sup>		
General Partner <sup>1</sup>		
Contractor <sup>1</sup>		
Management Co. <sup>1</sup>		
Consultant <sup>1</sup>		
Architect <sup>1</sup>		
Attorney		
Accountant		

<sup>1</sup> Each member of the development team must submit a resume which lists qualifications, address, telephone number and contact person.

<sup>2</sup> Please check the appropriate box and list below any direct or indirect, financial or other interest any member of the development team may have with another member of the development team, or between any of the parties involved in the acquisition, construction, refinancing, rehabilitation, or management of this project.

**SECTION XI: Notification of Local Official**

Provide the name of the smallest local political jurisdiction in which the project will be located and include the name

Political jurisdiction:

Chief Executive Officer:

Title:

Address:

City:

State:

Zip code:

Telephone:

All attachments to this Development Project Application form are identified in the appropriate Exhibits Checklist. All attachments must be clearly labeled and provided in the order requested.

MFA reserves the right to request additional materials as needed or require changes in the information submitted herewith. MFA may adjust any or all figures provided herein for underwriting purposes.

This is a multiple sheet Excel Workbook with Schedules for various MFA rental programs. Schedules "A" through "I" are separate worksheets (See Tabs at bottom while in Excel.).

Each of the schedules is required for the Low Income Housing Tax Credit (LIHTC) Application. There are other schedules which are also needed to complete the LIHTC Application (see website).

**Schedules F & G are only required for LIHTC, not for other rental applications such as HOME, Primero, NM Housing Trust Fund, Energ\$avers and Land Title Trust Fund.**

Schedules H & I are not required for 542 C Risk Share and ACCESS loans because those loan programs require that the Principals and the Managment Agent complete HUD form 2530, which supplies the same information.

**2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION**  
**Schedule A: Development Cost Budget**

Project Name:					Date:			
Total Units:					Low Income Units:			
*Round figures to nearest dollar					FEDERAL HTC REQUESTS ONLY			
					RESIDENTIAL COSTS ONLY			
	TOTAL ACTUAL COST	COMMERCIAL	RESIDENTIAL	ACQUISITION BASIS	REHAB/NEW CONSTRUCTION BASIS	to be used if project is combined Rehab/NC to separate out both types of costs.		
<b>ACQUISITION COSTS</b>								
Land Acquisition								
Building Acquisition								
Other (a)								
SUBTOTAL	-	-	-	-	-	-	-	-
<b>TOTALS FROM SCHEDULE "D" CONTRACTOR'S AND MORTGAGOR'S COST BREAKDOWN</b>								
Demolition (I)	-	-	-	-	-	-	-	-
Accessory Structures (II)	-	-	-	-	-	-	-	-
Site Construction (III)	-	-	-	-	-	-	-	-
Buildings and Structures (IV)	-	-	-	-	-	-	-	-
Off-Site Improvements (V)	-	-	-	-	-	-	-	-
Other Costs (VI)	-	-	-	-	-	-	-	-
SUBTOTAL (VII)	-	-	-	-	-	-	-	-
<b>OTHER CONSTRUCTION COSTS</b>								
Contractor Overhead								
Contractor Profit								
General Requirements								
Construction Contingency								
Gross Receipts Tax (GRT)								
Landscaping								
Furniture, Fixtures, & Equipment								
Other (b)								
SUBTOTAL	-	-	-	-	-	-	-	-
<b>PROFESSIONAL SERVICES/FEES</b>								
Architect (Design)								
Architect (Supervision)								
Attorney (Real Estate)								
Engineer/Survey								
Other (c)								
SUBTOTAL	-	-	-	-	-	-	-	-
<b>CONSTRUCTION FINANCING</b>								
Hazard Insurance								
Liability Insurance								
Performance Bond								
Interest								
Origination/Discount Points								
Credit Enhancement								
Inspection Fees								
Title and Recording								
Legal								
Taxes								
Other (d)								
SUBTOTAL	-	-	-	-	-	-	-	-

--CONTINUED ON NEXT PAGE--

**2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION**  
**Schedule A: Development Cost Budget**

Project Name: <span style="border: 1px solid black; display: inline-block; width: 150px; height: 15px;"></span>		Date: <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
Total Units: <span style="border: 1px solid black; display: inline-block; width: 80px; height: 15px;"></span>		Low Income Units: <span style="border: 1px solid black; display: inline-block; width: 80px; height: 15px;"></span>	

\*Round figures to nearest dollar

FEDERAL HTC REQUESTS ONLY					
RESIDENTIAL COSTS ONLY					
TOTAL ACTUAL COST	COMMERCIAL	RESIDENTIAL	ACQUISITION BASIS	REHAB/NEW CONSTRUCTION BASIS	to be used if project is combined Rehab/NC to separate out both

**FOOTNOTES**

1) Subtotal from Section I. Schedule "D"

2) Subtotal from Section II. Schedule "D"

3) Subtotal from Section III. Schedule "D"

4) Subtotal from Section IV. Schedule "D"

5) Subtotal from Section V. Schedule "D"

6) Subtotal from Section VI. Schedule "D"

7) Subtotal from Section VII. Schedule "D"

Page 1 of 4

<b>PERMANENT FINANCING COSTS</b>						
Bond Premium						
Credit Report						
Origination/Discount Points						
Credit Enhancement						
Title and Recording						
Legal						
Costs of Bond Issuance						
Pre-Paid MIP						
Reserves and Escrows						
Other (e)						
<b>SUBTOTAL</b>	-	-	-			
<b>SOFT COSTS</b>						
Market Study						
Environmental						
Tax Credit Fees						
Appraisal						
Hard Relocation Costs						
Accounting/Cost Certification						
Other (f)	-					
<b>SUBTOTAL</b>	-	-	-	-	-	-
<b>SYNDICATION</b>						
Organization						
Bridge Loan						
Tax Opinion						
Other (g)	-					
<b>SUBTOTAL</b>	-	-	-			
TDC before Dev. Fees & reserves	-	-	-	-	-	-
<b>RESERVES</b>						
Rent Up						
Operating						
Replacement						
Escrows/Working Capital						
Other (h)						
<b>SUBTOTAL</b>	-	-	-	-	-	-
<b>DEVELOPER FEES</b>						
Developer Fee*						
Consultant Fee						
Relocation Consultant						
<b>SUBTOTAL</b>	-	-	-	-	-	-
<b>Total Development Cost (TDC)</b>	-	-	-	-	-	-

\*The amount of developer fee included in 30 percent basis will be proportional to acquisition cost (not including land) divided by total development cost (TDC). If the project just has land as acquisition, then there will not be a split in the developer fee. If you have any basis eligible acquisition costs, then the developer fee will be split based on the percentage of acquisition basis vs rehab basis. For example, if basis eligible acquisition costs are ¼ of TDC, ¼ of developer fee will be included in 30% basis. No deductions are made from TDC for the purpose of calculating the developer fee split.

**Applicant is required to provide detail on each "Other" row.**

ACQUISITION COSTS [Other (a)]	
DESCRIPTION OF COST	AMOUNT
TOTAL	-

OTHER CONSTRUCTION COSTS [Other (b)]	
DESCRIPTION OF COST	AMOUNT
TOTAL	-

PROFESSIONAL SERVICES/FEEs [Other (c)]	
DESCRIPTION OF COST	AMOUNT
TOTAL	-

CONSTRUCTION FINANCING COSTS [Other (d)]	
DESCRIPTION OF COST	AMOUNT
TOTAL	-

PERMANENT FINANCING COSTS [Other (e)]	
DESCRIPTION OF COST	AMOUNT
TOTAL	-

SOFT COSTS [Other (f)]	
DESCRIPTION OF COST	AMOUNT
TOTAL	-

SYNDICATION [Other (g)]	
DESCRIPTION OF COST	AMOUNT
TOTAL	-

RESERVES [Other (h)]	
DESCRIPTION OF COST	AMOUNT
TOTAL	-

2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION  
Schedule A-1: Sources of Funds

Project Name: 0

Date: 1/0/1900

Financing Sources	Lender/Program	Contact Person Name/Telephone No.	Construction Amount	Permanent Amount	Interest Rate	Payment		Term	
						Amount	Frequency	Amort. Yrs.	Loan Yrs.
First Mortgage									
Second Mortgage									
Third Mortgage									
Other Mortgage									
Other Mortgage									
Grant									
Grant									
Deferred Developer Fee									
		Subtotal:							
Other Equity									
Other Equity									
Tax Credit Proceeds									
		Total:							

Note: Total of Permanent Amount Column **Must** Equal Total Development Cost in Schedule A.

Are you willing to defer your developer fee without interest, if MFA's evaluation results in a need to do so?

If you plan to issue bonds, indicate amounts. Tax Exempt  
Taxable

Equity Installment Schedule		
	Date	Amount
Intial Installment		
2nd Installment		
3rd Installment		
4th Installment		
5th Installment		
Total		

Estimated annual tax credits times 10 years	
Mutiply by tax investor ownership percentage	
Total tax credits	0
Expected credit price	
Expected cash equity	0

**2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION**

**Schedule B: Unit Type and Rent Summary**

Project Name: 0

Date: 1/0/1900

Vacancy Rate: 7%

<b>Section A</b>	<b>Restricted Units at 80% of Median</b>						
Number BR/Unit Type	Efficiency	1-BR	2-BR	3-BR	-BR	-BR	Totals
Net Sq. Ft./Unit							
Number of Units							
Gross Monthly Rent/Unit <sup>(1)</sup>							
Minus: Utility Allowance							
Net Monthly Rent/Unit							
Annual Rental Income (All Units)							

<b>Section B</b>	<b>Restricted Units at 70% of Median</b>						
Number BR/Unit Type	Efficiency	1-BR	2-BR	3-BR	-BR	-BR	Totals
Net Sq. Ft./Unit							
Number of Units							
Gross Monthly Rent/Unit <sup>(1)</sup>							
Minus: Utility Allowance							
Net Monthly Rent/Unit							
Annual Rental Income (All Units)							

<b>Section C</b>	<b>Restricted Units at 60% of Median</b>						
Number BR/Unit Type	Efficiency	1-BR	2-BR	3-BR	-BR	-BR	Totals
Net Sq. Ft./Unit							
Number of Units							
Gross Monthly Rent/Unit <sup>(1)</sup>							
Minus: Utility Allowance							
Net Monthly Rent/Unit							
Annual Rental Income (All Units)							

<b>Section D</b>	<b>Restricted Units at 50% of Median</b>						
Number BR/Unit Type	Efficiency	1-BR	2-BR	3-BR	-BR	-BR	Totals
Net Sq. Ft./Unit							
Number of Units							
Gross Monthly Rent/Unit <sup>(1)</sup>							
Minus: Utility Allowance							
Net Monthly Rent/Unit							
Annual Rental Income (All Units)							

<b>Section E</b>	<b>Restricted Units at 40% of Median</b>						
Number BR/Unit Type	Efficiency	1-BR	2-BR	3-BR	-BR	-BR	Totals
Net Sq. Ft./Unit							
Number of Units							
Gross Monthly Rent/Unit <sup>(1)</sup>							
Minus: Utility Allowance							
Net Monthly Rent/Unit							
Annual Rental Income (All Units)							

<b>Section F</b>	<b>Restricted Units at 30% of Median</b>						
Number BR/Unit Type	Efficiency	1-BR	2-BR	3-BR	-BR	-BR	Totals
Net Sq. Ft./Unit							
Number of Units							
Gross Monthly Rent/Unit <sup>(1)</sup>							
Minus: Utility Allowance							
Net Monthly Rent/Unit							
Annual Rental Income (All Units)							

<b>Section G</b>	<b>Restricted Units at 20% of Median</b>						
Number BR/Unit Type	Efficiency	1-BR	2-BR	3-BR	-BR	-BR	Totals
Net Sq. Ft./Unit							
Number of Units							
Gross Monthly Rent/Unit <sup>(1)</sup>							
Minus: Utility Allowance							
Net Monthly Rent/Unit							
Annual Rental Income (All Units)							

<b>Section H</b>	<b>Market Rate / Unrestricted Units</b>						
Number BR/Unit Type	Efficiency	1-BR	2-BR	3-BR	-BR	-BR	Totals
Net Sq. Ft./Unit							
Number of Units							
Gross Monthly Rent/Unit <sup>(1)</sup>							
Minus: Utility Allowance							
Net Monthly Rent/Unit							
Annual Rental Income (All Units)							

<b>Section I</b>	<b>Total All Units (Total Section A-H)</b>						
Number BR/Unit Type	Efficiency	1-BR	2-BR	3-BR	-BR	-BR	Totals
Net Sq. Ft./Unit							
Number of Units							
Gross Monthly Rent/Unit <sup>(1)</sup>							
Minus: Utility Allowance							
Net Monthly Rent/Unit							
Annual Rental Income (All Units)							
Units Receiving Rental Assistance (To be included in Sections A-H)							
Management Units <sup>(2)</sup>							

<sup>(1)</sup>Not to exceed rent limits for program applied for.

<sup>(2)</sup>Management Units (those that are considered "common space" or are not included in Sections A-H for whatever reason) Specify Use:



2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION				
Schedule C: Operating Expense Budget				
Project Name:	0		Date:	1/0/1900
		Total Units:	Total Budget	Per Unit Cost
INCOME				
1	Annual Rental Income Per Schedule B/Section F			
2	Parking Income			
3	Laundry Income			
4	Other Income (Specify)			
	Income Subtotal		-	
5	Less Vacancy @		7%	-
6	Commercial Income			
7	Less Vacancy @		5%	
8	TOTAL INCOME			
EXPENSES		ADMINISTRATIVE EXPENSES		
9	Accounting and Audit			
10	Advertising			
11	Legal			
12	Property Management Fee @		6.00%	
13	Gross Receipts Tax (GRT) on Management Fee			
14	Management Salaries/Taxes			
15	Office Supplies and Postage			
16	Telephone			
17	Annual Compliance Fees (\$50 per LI unit)			
18	Other (Specify):			
19	SUBTOTAL ADMINISTRATIVE EXPENSES			
		UTILITY EXPENSES		
20	Fuel (Heat and Water)			
21	Electricity			
22	Water and Sewer			
23	Gas			
24	Garbage/Trash			
25	Other (Specify):			
26	SUBTOTAL UTILITY EXPENSES			
		MAINTENANCE EXPENSES		
27	Elevator			
28	Exterminating			
29	Grounds			
30	Repairs			
31	Maintenance Salaries and Taxes			
32	Maintenance Supplies			
33	Pool			
34	Snow Removal			
35	Decorating			
36	SUBTOTAL MAINTENANCE			
		FIXED EXPENSES		
37	Real Estate Taxes			
38	In Lieu of Taxes			
39	Other Tax Assessments			
40	Insurance			
41	Other (Specify):			
42	SUBTOTAL FIXED EXPENSES			
		SUBTOTAL EXPENSES BEFORE RESERVES		
		RESERVE FOR REPLACEMENT/OTHER RESERVES		
43	Reserve for Replacement (Annual)		(1)	
44	Other (Specify):			
45	Other (Specify):			
46	Other (Specify):			
47	Other (Specify):			
48	SUBTOTAL RESERVES (Do not include debt service)			
49	Enrichment Services			
50	TOTAL EXPENSES			
51	NET OPERATING INCOME (Total Income Minus Total Expenses)			
(1) Minimum reserves per unit per year: \$250/unit/year for Senior Housing (new construction only), and \$300/unit/year for all other new construction and rehabilitation projects.				
Management Agent/Applicant Certification: The operating budget provided above is that which will serve as the project's operating budget for its first year of operations, pursuant to agreement by the following parties:				
Management Agent Signature: _____ Date: _____				
Printed Name/Title: _____				

2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION				
Prior Year Operating Expenses - REHABILITATION PROJECTS ONLY				
Project Name:				
		Total Units:		
			Total	Per Unit Cost
INCOME				
	Annual Rental Income			
	Parking Income			
	Laundry Income			
	Other Income (Specify)			
	Income Subtotal		-	
	Less Vacancy @		7%	-
	Commercial Income			
	Less Vacancy @		5%	
	TOTAL INCOME			
EXPENSES	ADMINISTRATIVE EXPENSES			
	Accounting and Audit			
	Advertising			
	Legal			
	Property Management Fee @		6.00%	
	Gross Receipts Tax (GRT) on Management Fee			
	Management Salaries/Taxes			
	Office Supplies and Postage			
	Telephone			
	Annual Compliance Fees (\$50 per LI unit)		(if applicable)	
	Other (Specify):			
	SUBTOTAL ADMINISTRATIVE EXPENSES			
	UTILITY EXPENSES			
	Fuel (Heat and Water)			
	Electricity			
	Water and Sewer			
	Gas			
	Garbage/Trash			
	Other (Specify):			
	SUBTOTAL UTILITY EXPENSES			
	MAINTENANCE EXPENSES			
	Elevator			
	Exterminating			
	Grounds			
	Repairs			
	Maintenance Salaries and Taxes			
	Maintenance Supplies			
	Pool			
	Snow Removal			
	Decorating			
	SUBTOTAL MAINTENANCE			
	FIXED EXPENSES			
	Real Estate Taxes			
	In Lieu of Taxes			
	Other Tax Assessments			
	Insurance			
	Other (Specify):			
	SUBTOTAL FIXED EXPENSES			
	SUBTOTAL EXPENSES BEFORE RESERVES			
	RESERVE FOR REPLACEMENT/OTHER RESERVES			
	Reserve for Replacement (Annual)		(1)	
	Other (Specify):			
	Other (Specify):			
	Other (Specify):			
	Other (Specify):			
	SUBTOTAL RESERVES (Do not include debt service)			
	Enrichment Services			
	TOTAL EXPENSES			
	NET OPERATING INCOME (Total Income Minus Total Expenses)			
Management Agent Signature: _____ Date: _____				
Printed Name/Title: _____				

2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION  
Schedule C-1: Cash Flow Projection

Project Name:		Annual Inflation Factors														
		Residential Rents:					Vacancy:					Commercial Vacancy:				
		Expenses (except Mgmnt fees):														
		Replacement Reserves:														
0.00		Date: 1/0/1900														
Annual Projections (Post Construction Period)		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Income																
Residential Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vacancy Loss	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Commercial Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Commercial Income Vacancy Loss	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Effective Gross Income (EGI)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Expenses																
Expenses (less reserves and mgt fees)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mgmnt fees + GRT (increases with EGI)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserves	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Operating Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Debt Service (Hard Debt)																
First Mortgage		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Second Mortgage		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Third Mortgage		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fourth Mortgage		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Debt Service	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Project Cash Flow	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt Service Coverage - First	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Debt Service Coverage - All Debt	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Deferred Developer Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

**2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION**  
**Schedule D: Contractor's and Applicant's Cost Breakdown**

Project Name:		0			Federal HTC Requests ONLY	
Construction Period: Start Date:			Completion:		Residential Costs ONLY	
	Trade Item	Total Cost [A] <sup>(1)</sup>	Commercial [B]	Residential [C]	30% HTC Basis [D]	70% HTC Basis [E]
I.	<b>Demolition</b>					
II.	<b>Accessory Structures</b>					
III.	<b>Site Construction</b>					
	Earth Work					
	Site Utilities					
	Roads & Walks					
	Site Improvements					
	Lawns & Planting					
	Unusual Site Conditions					
	<i>Sub-total: Site Construction</i>	0	0	0	0	0
IV.	<b>Buildings and Structures</b>					
	Concrete					
	Masonry					
	Metals					
	Woods and Plastics					
	Thermal and Moisture Protection					
	Doors and Windows					
	Finishes					
	Specialties					
	Equipment					
	Furnishings					
	Special Construction					
	Conveying Systems					
	Mechanical					
	Electrical					
	<i>Sub-total: Building and Structures</i>	0	0	0	0	0
V.	<b>Off-Site Improvements (List)</b>					
	<i>Sub-total: Off-Site Improvements</i>	0	0	0	0	0
VI.	<b>Other Costs (List)</b>					
	Hard costs only - Do not include those listed in Sched. A (e.g. "Other Construction Costs")					
	<i>Sub-total: Other Costs</i>	0	0	0	0	0
VII.	<b>TOTAL CONSTRUCTION COSTS</b>	0	0	0	0	0

<sup>(1)</sup> Sum of Columns B and C.

Contractor Signature: \_\_\_\_\_

Date \_\_\_\_\_

Contractor Firm: \_\_\_\_\_

\_\_\_\_\_

**2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION**  
**Schedule E: Development Schedule**

Project Name:

0

Date:

1/0/1900

ACTIVITY	Scheduled Date: Month/Year	Check if Complete	Assigned Staff
<b>Site</b>			
Option/Contract Executed			
Environmental Review Completed			
Site Acquisition			
Zoning Approval			
<b>Financing: Non-MFA Sources</b>			
<u>Construction Loan</u>			
Application			
Approval			
Closing			
<u>Permanent Loan</u>			
Application			
Approval			
Closing			
<u>Tax Credit Equity</u>			
RFP			
Letter of Intent			
Partnership Closing			
<u>Other Loans &amp; Grants</u>			
Type/Source:			
Application			
Award			
Closing			
<u>Other Loans &amp; Grants</u>			
Type/Source:			
Application			
Award			
Closing			
<b>Plans &amp; Specifications Completed</b>			
<b>Relocation Plan Completed</b>			
<b>Building Permits Obtained</b>			
<b>Construction Start</b>			
<b>Construction Completion</b>			
<b>Fair Housing Marketing Plan Completed</b>			
<b>Placed-in-Service/C of O</b>			
<b>Lease-Up</b>			

**2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION**

**Schedule F: Estimate of Tax Credit Allocation**

Project Name: 0

Date: 1/0/1900

		30% HTC Basis	70% HTC Basis	For MFA Use
	Total Eligible Basis (From Schedule A)			
Less:	Federal grant used to finance qualifying development costs (specify source)			
Less:	Non-qualified non-recourse financing / federal subsidy (specify source)			
Less:	Non-qualifying excess portion of higher quality market rate units			
Less:	Historic Tax Credit (Residential Portion Only)			
Equals:	<b>Eligible Basis</b>			
Multiplied by:	Adjustment for boost <sup>(1)</sup>	100%	130%	
Equals:	<b>Eligible Basis</b>			
Multiplied by:	Applicable Fraction (Insert the lesser of the fractions calculated below.) Multiply line above by this fraction to obtain Total Qualified Basis below.	0.00%	0.00%	
Equals:	<b>Total Qualified Basis</b>			
Multiplied by:	Applicable Tax Credit Percentage			
Equals:	<b>Tax Credit Eligibility</b>			
	<b>Total Tax Credit Request</b>			

<b>Applicable Fraction Calculation:</b>				
Floor Space Fraction		Unit Fraction		
Total Residential Rental Floor Space		Total Units		
Low-Income Units Floor Space		Low-Income Units		
Percent Low-Income		Percent Low-Income		

(1) If site lies in either a Qualified Census Tract (QCT) or Difficult to Develop Area (DDA), insert 130%, if the project is eligible for the State discretionary boost, insert the appropriate percentage required for financial feasibility, otherwise insert 100%.

**2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION**  
**Schedule G: Affordable Unit Set-Aside Election**

Project Name:

0

The Owner irrevocably elects one of the Minimum Set-Aside Requirements:

☐

At least 20% of the residential units in this development are rent-restricted and to be occupied by households with incomes at 50% or less of area median income; or

☐

At least 40% of the residential units in this development are rent-restricted and to be occupied by households with incomes at 60% or less of area median income; or

☐

At least 40% of the residential units in this development are rent and income restricted and the average income limit for all tax credit units in the Project is at 60% or less of area median income; or

☐

Deep rent skewing option as defined in Section 42

Only Low Income Units as determined by the Project's Set Aside Election are eligible for Tax Credits. For example, if the 20/50 Election is chosen, only Units that are rent restricted and set aside for tenants whose income does not exceed 50% of Area Gross Median Income are qualified as Low Income Units.

In order to qualify for tax credits, projects must meet the minimum set-aside elected as of the close of the first year of the credit period.

Signature\_\_\_\_\_

Date: \_\_\_\_\_

Signature\_\_\_\_\_

Date: \_\_\_\_\_

**2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION**  
**Schedule H: Applicant's Previous Participation Certificate**

Entity Name: \_\_\_\_\_

Role in Project: \_\_\_\_\_

Name of signer: \_\_\_\_\_

Title of signer: \_\_\_\_\_

Project Name	Project Address	Status of Project	# of Units	Type(s) of Financing	Most recent Compliance Audit	Most recent Physical Inspection	Was Project ever in Default During your participation?	List any Co-Developers or Consultants
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	

The undersigned being duly authorized, hereby represents and certifies under penalty of perjury that the foregoing information, to the best of his/her knowledge, is true, complete and accurate, and hereby consents to the release of information to MFA by any other State or Federal agency monitoring Project compliance.

Name of Signer \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

- 1) Each General Partner and any entity receiving all or part of the developer fee must submit a separate Schedule H listing all projects in which they have a financial interest.
- 2) If Executive Staff, Board Member, Commissioners, or other Pricipals have interests in projects other than those already listed on a Schedule H, they must submit a seperate Schedule H listing the additional projects.

"Principal" means an Applicant, any general partner of an Applicant, and any officer, director, board member or any shareholder, general partner, managing member, or affiliate of an Applicant. It also includes any entity receiving any part of a developer fee for a Project. For Project compliance purposes (Section IV.C.10 of the QAP), Principal would include shareholders with interests of 25 percent or more, all officers of a corporation (whether Board members or employees), all general partners or members.



**2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION**  
**Schedule I: Previous Participation of Management**

Development Name	Development Address	Owner Name/Address/Phone	# of Units	# of Affordable Units	Most recent Compliance Audit		Most recent Physical Inspection		On-site Manager	Type of Development (LIHTC, Market, HUD, USDA-RD, etc)
					Date:		Date:			
					Agency:		Agency:			
					Rating:		Rating:			
					Date:		Date:			
					Agency:		Agency:			
					Rating:		Rating:			
					Date:		Date:			
					Agency:		Agency:			
					Rating:		Rating:			
					Date:		Date:			
					Agency:		Agency:			
					Rating:		Rating:			
					Date:		Date:			
					Agency:		Agency:			
					Rating:		Rating:			
					Date:		Date:			
					Agency:		Agency:			
					Rating:		Rating:			
					Date:		Date:			
					Agency:		Agency:			
					Rating:		Rating:			
					Date:		Date:			
					Agency:		Agency:			
					Rating:		Rating:			

The undersigned being duly authorized, hereby represents and certifies under penalty of perjury that the foregoing information, to the best of his/her knowledge, is true, complete and accurate. The undersigned hereby acknowledges that MFA may, at its option, verify the information provided herein by contacting the Owner listed above.

Name of Signer \_\_\_\_\_

Title of Signer \_\_\_\_\_

Company \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**NEW MEXICO MORTGAGE FINANCE AUTHORITY HOUSING TAX CREDIT  
2021 CARRYOVER ALLOCATION**

The New Mexico Mortgage Finance Authority ("MFA") hereby issues you a Carryover Allocation of Tax Credits in an amount not to exceed the amount stated below, subject to the terms and conditions stated herein and in the Housing Tax Credit Carryover Allocation Agreement (the "Carryover Allocation Agreement") entered into between the Project Owner and MFA contemporaneously with the issuance of this Carryover Allocation. This Carryover Allocation is made pursuant to Section 42(h)(1)(E) and, if applicable, Section 42(h)(1)(F), of the Internal Revenue Code of 1986, as amended (the "Code").

\_\_\_\_\_ (the "Project Owner") has represented and certified that each building in the Project for which this allocation is made is a qualified building as defined in Section 42(h)(1)(E)(ii) of the Code (that is, the building is part of a Project in which the Project Owner's basis as of **August 31, 2022** will be more than 10 percent (10%) of said Project Owner's reasonably expected basis in the Project as of **December 31, 2023** and that each building will be Placed in Service by the date shown on Assignment of Building ID# Form, but in no event later than **December 31, 2023**. More particularly, the Project Owner has represented and certified that as of **December 31, 2021**, the reasonably expected basis in the project as of **December 31, 2023** will be \$\_\_\_\_\_. The Project Owner acknowledges that a certification prepared and signed by an independent certified public accountant stating that the Project Owner has incurred costs exceeding 10 percent of the reasonably expected basis will be submitted to MFA no later than **August 31, 2022**. By this same date the Project Owner will submit to MFA an attorney's opinion, in the required form, regarding the eligibility of the Project for tax credits under Section 42 of the Internal Revenue Code.

MFA, as the Housing Credit Agency for the state of New Mexico, hereby allocates \$\_\_\_\_\_ as the maximum amount of tax credits to the Project Owner and building or Project described below. This allocation is expressly conditioned upon satisfaction of the requirements of Section 42(h)(1)(E) of the Code and, if this is a project-based allocation, of Section 42(h)(1)(F) of the Code. This allocation is further expressly conditioned upon the terms and conditions set forth herein and in the Carryover Allocation Agreement. The Building Identification Number to be assigned to each building in the Project is set forth in the Assignment of Building Identification Numbers Form attached as Exhibit B to the Carryover Allocation Agreement.

Project Owner: \_\_\_\_\_  
Federal Tax ID: \_\_\_\_\_  
Owner Address: \_\_\_\_\_  
\_\_\_\_\_  
Project Name: \_\_\_\_\_  
Project Number: \_\_\_\_\_  
Project Address: \_\_\_\_\_  
\_\_\_\_\_  
Building Type: \_\_\_\_\_

**NEW MEXICO MORTGAGE FINANCE AUTHORITY**

344 4th Street SW  
Albuquerque, New Mexico 87102

Taxpayer ID Number: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

Project Name: \_\_\_\_\_

**EXHIBIT A TO INDEPENDENT AUDITOR'S REPORT  
ITEMIZED EXPENDITURES AS OF: \_\_\_\_\_**

	<b>COSTS INDICATED ON APPLICATION</b>	<b>PROJECT'S EXPECTED BASIS</b>	<b>ELIGIBLE 10% TEST EXPENDITURES</b>	<b>EXPENDITURES AS % OF EXPECTED BASIS</b>
<b>LAND AND BUILDING</b>				
Land Costs*	\$ _____	\$ _____	\$ _____	_____ %
Existing Structures	\$ _____	\$ _____	\$ _____	_____ %
Other**	\$ _____	\$ _____	\$ _____	_____ %
<b>TOTAL</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>_____ %</b>
<b>REHABILITATION OR CONSTRUCTION COSTS</b>				
Site Work	\$ _____	\$ _____	\$ _____	_____ %
Structures	\$ _____	\$ _____	\$ _____	_____ %
Contractor Overhead	\$ _____	\$ _____	\$ _____	_____ %
Contractor Profit	\$ _____	\$ _____	\$ _____	_____ %
General Requirements	\$ _____	\$ _____	\$ _____	_____ %
Fees	\$ _____	\$ _____	\$ _____	_____ %
<b>TOTAL</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>_____ %</b>
<b>PROFESSIONAL FEES</b>				
Architect	\$ _____	\$ _____	\$ _____	_____ %
Engineer/Surveyor	\$ _____	\$ _____	\$ _____	_____ %
Attorney	\$ _____	\$ _____	\$ _____	_____ %
Accountant	\$ _____	\$ _____	\$ _____	_____ %
<b>TOTAL</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>_____ %</b>
<b>CONSTRUCTION PERIOD COSTS</b>				
Insurance	\$ _____	\$ _____	\$ _____	_____ %
Bond Premium	\$ _____	\$ _____	\$ _____	_____ %
Construction Loan Interest	\$ _____	\$ _____	\$ _____	_____ %
Loan Origination Fee	\$ _____	\$ _____	\$ _____	_____ %
Taxes and Fees	\$ _____	\$ _____	\$ _____	_____ %
Title and Recording	\$ _____	\$ _____	\$ _____	_____ %
<b>TOTAL</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>_____ %</b>

\*If land is purchased from a related party, an appraisal is required to substantiate the value used.

\*\*Legal fees and interest expense related to land must be broken out and entered in this category.

	COSTS INDICATED ON APPLICATION	PROJECT'S EXPECTED BASIS	ELIGIBLE 10% TEST EXPENDITURES	EXPENDITURES AS % OF EXPECTED BASIS
<b>PERMANENT FINANCING</b>	\$ _____		\$ _____	
<b>SOFT COSTS</b>				
Market Study	\$ _____	\$ _____	\$ _____	_____ %
Environmental Study	\$ _____	\$ _____	\$ _____	_____ %
Appraisal	\$ _____	\$ _____	\$ _____	_____ %
Tax Credit Fees	\$ _____	\$ _____	\$ _____	_____ %
Cost Certification	\$ _____	\$ _____	\$ _____	_____ %
<b>TOTAL</b>	\$ _____	\$ _____	\$ _____	_____ %
<b>SYNDICATION COSTS*</b>	\$ _____		\$ _____	
<b>DEVELOPER FEES**</b>				
Developer Fees	\$ _____	\$ _____	\$ _____	
Consultant	\$ _____	\$ _____	\$ _____	_____ %
<b>TOTAL</b>	\$ _____	\$ _____	\$ _____	_____ %
<b>PROJECT RESERVES</b>	\$ _____		\$ _____	
<b>TOTAL DEVELOPMENT COSTS***</b>	\$ _____	\$ _____	\$ _____	_____ %
<b>FEES PAID TO RELATED ENTITIES***</b>				
_____ (Related Entity)	\$ _____	\$ _____	\$ _____	_____ %
_____ (Related Entity)	\$ _____	\$ _____	\$ _____	_____ %
<b>TOTAL</b>	\$ _____	\$ _____	\$ _____	_____ %

\*All syndication costs must be separated from other project costs and included on this line.

\*\*If any portion of the developer fee is deferred, supporting documentation must be submitted (e.g. promissory note).

\*\*\* All fees, including the developer fee, which are paid to the developer or to any entity with an identity of interest with the developer must be clearly identified in the section entitled Fees Paid to Related Entities.

**2021 HOUSING TAX CREDIT  
CARRYOVER ALLOCATION AGREEMENT**

Project Number: \_\_\_\_\_

ALLOCATION OF TAX CREDITS TO THIS PROJECT IS BASED ON THE FOLLOWING:

- ☐ Tax Credits from Set-Aside for Projects involving Qualified Non-Profit Organizations
- ☐ Points Given for Participation by Qualified Non-Profit Organization
- ☐ Special Tenant Population Set-asides [Section 3]
- ☐ Additional Low-Income Targeting [Section 2(b)]
- ☐ Extended term of Occupancy Restriction [Section 2(c)]
- ☐ New Construction                      ☐ Rehabilitation

THIS AGREEMENT, dated as of December \_\_\_\_, **2021**, is by and between \_\_\_\_\_, a \_\_\_\_\_, and its successors and assigns (the "Project Owner"), and the New Mexico Mortgage Finance Authority, a body politic and corporate constituting a governmental instrumentality of the State of New Mexico ("MFA"). Capitalized terms, when not defined in the text of this agreement, are defined in the 2021 State of New Mexico Housing Tax Credit Program Qualified Allocation Plan ("QAP") or in the Internal Revenue Code ("Code").

WITNESSETH:

WHEREAS, the Project Owner is the owner of a \_\_\_\_\_ (\_\_\_\_\_) unit rental housing development located at \_\_\_\_\_ in the City of \_\_\_\_\_, County of \_\_\_\_\_, State of New Mexico, more particularly described in Exhibit A hereto, known as \_\_\_\_\_ (the "Project"); and

WHEREAS, MFA has been designated by the Governor of the State of New Mexico (the "State") as the Housing Credit Agency for the State for the allocation of Low Income Housing Tax Credits ("Tax Credits") under Section 42 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder (the "Code"); and

WHEREAS, the Project Owner has applied to MFA for a Carryover Allocation of Tax Credits to the Project and has made certain representations to MFA in its Application (as the same may have been amended by any progress reports (the "Progress Reports") provided to MFA pursuant to Section 9 hereof and the Carryover Allocation Application; collectively, the "Application"), concerning, among other things, the number of Low-Income Units (as hereinafter defined) and the term of occupancy restrictions; and

WHEREAS, based upon such representations, MFA is willing to make a Carryover Allocation of Tax Credits to the Project provided that the Project Owner, by entering into this Agreement, agrees to comply with the covenants, terms and conditions of this Agreement as a condition precedent to the Final Allocation of Tax Credits by MFA.

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, and of other valuable consideration, the Project Owner and MFA agree as follows:

1. Carryover Allocation. Contemporaneously herewith **MFA** has issued a **2021** Housing Tax Credit Carryover Allocation (the "Carryover Allocation") to the Project Owner in the amount of \$\_\_\_\_\_. The Carryover Allocation is subject to all of the terms and conditions set forth in this Agreement and the 2021 State of New Mexico Housing Tax Credit Program QAP.

2. Occupancy Restrictions. The Project Owner covenants and agrees that:

Minimum Federal Set-Aside Election:

(a) For the purpose of Section 42(g)(1) of the Code, the Project Owner elects that at least \_\_\_\_\_ percent (\_\_\_\_%) of the residential rental units in the Project shall be both rent-restricted (as hereinafter defined) and occupied by individuals or families whose income is \_\_\_\_\_ percent (\_\_\_\_%) or less of area median gross income.

Total Set-Aside:

(b) Notwithstanding the election described in subsection (a) above, the Project Owner covenants and agrees that at least \_\_\_\_\_ (\_\_\_\_) of the residential rental units shall be both rent-restricted and occupied by individuals or families whose income is \_\_\_\_\_ percent (\_\_\_\_%) or less of area median gross income, and at least \_\_\_\_\_ (\_\_\_\_) of the residential rental units shall be both rent-restricted and occupied by individuals or families whose income is \_\_\_\_\_ percent (\_\_\_\_%) or less of area median gross income. All of the foregoing residential rental units are collectively referred to herein as the "Low-Income Units", and, with respect to all of such Low-Income Units, "area median gross income" shall be determined in accordance with the Code. The Project Owner further agrees that additional units in the Project shall be both rent-restricted and occupied by low-income individuals or families whose incomes meet the requirements of subsection (a) to the extent necessary to maintain the "applicable fraction," as defined in Section 42(c)(1)(B) of the Code, at not less than \_\_\_\_\_ percent (\_\_\_\_%) for each taxable year of the extended use period as defined in Section 42(h)(6)(D) of the Code (the "Extended Use Period"). A unit is "rent-restricted" if the gross rent with respect to such unit does not exceed thirty percent (30%) of the imputed income limitation applicable to such unit [based upon the income limitations set forth in this subsection (a)], all as determined in accordance with Section 42(g) of the Code.

(c) The foregoing occupancy restrictions shall be in effect for each building which is part of the Project for a period of \_\_\_\_\_ (\_\_\_\_) taxable years beginning with the taxable year in which each such building is placed in service or, at the election of the taxpayer, the succeeding taxable year. An Assignment of Building Identification Numbers of each Building in the Project is attached hereto as Exhibit B.

3. Additional Project Owner Agreements. The Project Owner further covenants and agrees that not later than the last day of the first year of the Credit Period, as defined in Section 42(f) of the Code:

(a) At least [txtNoOfTargetUnits] ([nbrunits]) of the residential rental units in the Project shall be constructed, equipped, set aside and made available for occupancy on a priority basis to [Seniors or Families with Children] at all times during the term of this Agreement, and the Project Owner shall provide evidence to MFA of any license, permit or other governmental approval required for such occupancy. Project Owner shall maintain and implement a plan reasonably satisfactory to MFA to provide social services to the residents of the units set aside for [Target\_Units\_1], more particularly described in Exhibit C.

(b) At least [txtNoOfTargetUnits] ([nbrunits]) of the residential rental units in the Project shall be constructed, equipped, set aside and made available for occupancy on a priority basis to **Households with Special Housing Needs** as described in Exhibit D.

(c) Any termination in service contracts will require notification to MFA. No more than a 30-day gap in service provision will be allowed or the Project will be considered out of compliance until a new service contract is executed.

(d) Of the residential units which are to be subject to the restrictions of Section 2 hereof, at least [txtNbrbedrooms1] ([Nbrbedrooms1]) shall be [bedsize1]-**bedroom units** and at least [txtNbrBedrooms2] ([Nbrbedrooms2]) shall be [bedsize2]-**bedroom units**.

4. Representations, Covenants and Warranties of the Project Owner. The Project Owner covenants, represents and warrants as follows:

(a) The Project Owner is duly organized under the laws of the State of \_\_\_\_\_, and is qualified to transact business under the laws of the State.

(b) The Project Owner and all parties comprising the Project Owner are in compliance with all requirements of Section 42 for all other properties subject to Section 42 owned by any of them.

(c) The Project Owner has good and marketable title to the premises constituting the Project.

(d) Each building which is the subject of **MFA's** Carryover Allocation is, or by **August 31, 2022** will be, a "qualified building" as defined in Section 42(h)(1)(E)(ii) of the Code, and the Project will constitute a "qualified low-income housing project" as defined in Section 42(g) of the Code.

(e) Each building which is the subject of the Carryover Allocation will be placed in service by **December 31, 2023**, and the Project Owner will make timely application to **MFA** for a Final Allocation of Tax Credits so as to permit **MFA** to issue Internal Revenue Service Form 8609 with respect to the Project.

(f) The Eligible Basis of each building has been determined in accordance with Section 42(d) of the Code, and has been reduced by the amount, if any, equal to the portion of the adjusted basis of any building which is attributable to residential rental units in the building which are not Low-Income Units and which are above the average quality standard of the Low-Income Units in such building. In determining the Qualified Basis of any building, the "at risk" rules have been applied to the extent and in the manner required by Section 42(k) of the Code.

(g) If any building which is the subject of the Project Owner's Application is an existing building,

(1) except as stated below, the building was acquired by purchase (as defined in Section 179(d)(2) of the Code). **No exceptions.**

(2) except as stated below, there is a period of at least ten (10) years between the date of the acquisition of the building by the Project Owner and the date the building was last placed in service. **No exceptions.**



(3) except as stated below, the building was not previously placed in service by the Project Owner or any "related person" (as that term is defined in Section 42(d)(2)(D)(ii) of the Code). **No exceptions.**

(4) except as stated below, the Project Owner will pay or incur rehabilitation expenditures with respect to the Building meeting the requirements of Section 42(e) of the Code. **No exceptions.**

(h) If box (1) or (2) on page 1 of this Agreement is checked, the Project is one involving a Qualified Nonprofit Organization as defined in Section 42(h)(5)(C) of the Code which will both own an interest in the Project and "materially participate," as that term is defined in Section 42(h)(5)(B) of the Code, in the development and operation of the Project and will remain a material participant throughout the compliance period.

(i) In connection with its request for **MFA's** Final Allocation of Tax Credits, the Project Owner shall provide such information and give such certifications as **MFA** reasonably shall determine necessary to evidence compliance with Section 42 of the Code and this Agreement and to permit **MFA** to make the determination described in Section 6 hereof.

5. Land Use Restriction Agreement. In connection with the Final Allocation of Tax Credits to the Project by **MFA**, the Project Owner shall execute and deliver a Land Use Restriction Agreement which shall incorporate the covenants and agreements of the Project Owner set forth in Sections 2 and 3 hereof, provisions for regulation and enforcement by **MFA**, and such additional provisions as may be necessary to assure compliance with Section 42 of the Code or to give effect to requirements of **MFA**.

6. Determination of Housing Credit Dollar Amount. The Project Owner acknowledges that the maximum Tax Credit dollar amount for which MFA has made its Carryover Allocation is based upon estimates provided by the Project Owner of Project costs, Eligible Basis, and the number and unit composition of the qualified low-income buildings to be included in the Project. The Project Owner acknowledges and agrees that said Tax Credit dollar amount may be reduced based upon MFA's final determination of the Eligible Basis of each building as to which a Final Allocation of Tax Credits is requested, or as a result of MFA's final determination pursuant to Section 42(m)(2) of the Code, and that the amount of any such reduction shall be deemed to be "Returned Credit" to MFA pursuant to Section 42(h)(3)(C) of the Code. In addition, the Project Owner acknowledges and agrees that costs in excess of any limits contained in the QAP, including cost limits related to Project Selection Criteria, may be excluded from the Project's Qualified Basis when calculating maximum Tax Credit dollar amount.

7. Applicable Credit Percentage.

The Applicable Percentage for occupied existing buildings which have Placed in Service shall be for the month during which the Project Owner acquired ownership of the property as listed below.

MONTH: \_\_\_\_\_ APPLICABLE PERCENTAGE: \_\_\_\_\_%

☐

If this box is checked, the Owner hereby irrevocably elects, pursuant to Section 42(b)(1)(A)(ii)(I) of the Code, to fix the Applicable Percentage(s) for each building in the Project as the percentage(s) prescribed by the Secretary of the Treasury for the month of this Carryover Allocation Agreement. MFA and the Owner acknowledge that this Carryover Allocation Agreement constitutes an agreement binding upon MFA, the Owner, and all successors in interest to the Owner as owners of the Project, as to

the allocation of 2021 tax credits to the building(s) in the Project, subject to compliance by the Owner with the requirements of Section 42 of the Code and the additional requirements, if any, of MFA.

MONTH: \_\_\_\_\_ APPLICABLE PERCENTAGE: \_\_\_\_\_%

- ☐ If this box is checked, the Owner has made no election pursuant to Section 42(b)(2)(A)(ii)(I) of the Code, and accordingly, the Applicable Percentage for a building shall be that for the month in which the particular building is placed in service.

8. Gross Rent Floor. Section 42(g)(2)(A) of the Code provides that a Low-Income Unit is "rent-restricted" if the gross rent for such unit does not exceed 30% of the imputed income limitation applicable to the unit. Under Revenue Procedure 94-57, the effective date of the income limitation used to establish the gross rent floor for purposes of Section 42(g)(2)(A) is the date MFA initially allocates a Tax Credit dollar amount to the Project (that is, the date of the Carryover Allocation) unless the owner designates a building's placed-in-service date as the effective date for the gross rent floor.

- ☐ If this box is checked, the Owner designates the placed-in-service date of each building in the Project as the effective date for establishing the gross rent floor for the Low-Income Units in such building(s).
- ☐ If this box is checked, the effective date for establishing the gross rent floor for any Low-Income Unit in the Project is the date of MFA's Carryover Allocation.

9. Progress Reports. The Project Owner acknowledges MFA's public interest in assuring the full utilization of the State's housing credit ceiling as defined in Section 42(h)(3)(C) of the Code, including the timely allocation of Returned Credits pursuant to Section 42(h)(3)(C)(iii) of the Code. Accordingly, the Project Owner acknowledges and agrees that timely progress toward completion of the Project so as to permit its Placement in Service by **December 31, 2023** is a continuing condition of the Carryover Allocation. To this end, the Owner agrees to complete all "Subsequent Project Requirements" and deliver evidence to MFA accordingly, as described in Part IV.G. of the Year 2021 QAP. **In addition, Project Owner shall, in accordance with Part IV.G of the Year 2021 QAP submit quarterly written progress reports on or before March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup> and December 31<sup>st</sup> each year, beginning with March 31<sup>st</sup> after the allocation year and continuing until the final allocation application has been submitted. The information to be covered in these progress reports will be provided.**

10. Construction Document Submittal. A complete set of construction documents (construction contract including complete plans and specifications) are due to MFA no later than June 30, 2022. The Project Owner acknowledges that construction activity may not start on the Project prior to the receipt of written approval of the construction documents from MFA.

11. Conditions; Cancellation of Carryover Allocation. The Project Owner acknowledges that all the terms, conditions, obligations and deadlines set forth herein constitute both continuing conditions of the Carryover Allocation and conditions precedent to a final allocation of Tax Credits by MFA, and that the Project Owner's or the Project's failure to comply with all such terms and conditions, including the requirements of Section 9 hereof, will entitle MFA, in its discretion, to deem the Carryover Allocation to be canceled. After any such cancellation, the Tax Credits allocated by the Carryover Allocation shall be deemed to be returned to MFA pursuant to Section 42(h)(3)(C) of the Code and Treasury Regulation §1.42-14(d), and the Owner acknowledges that neither it nor the Project will have any right to claim

Tax Credits pursuant to the Carryover Allocation. MFA reserves the right, in its discretion, to modify and/or waive any such failure.

12. Final Allocation. Upon notification by the Project Owner that the building(s) has been Placed in Service, and compliance by the Project Owner with the requirements of MFA for a Final Allocation of Tax Credits, MFA will issue an IRS Form 8609 to such building to the extent required by, and in accordance with, applicable Federal law then governing allocation of Tax Credits under Section 42 of the Code. The total dollar amount of **2021** Tax Credits reflected on such Form 8609 will not exceed the Tax Credit dollar amount allocated to the Project as set forth in the Carryover Allocation.

13. No Reliance. In issuing the Carryover Allocation, MFA has relied upon information provided and representations made by the Project Owner or the Project Owner's designee, and the Carryover Allocation does not in any way constitute a representation, warranty, guaranty, advice or suggestion by MFA as to the qualification of the Project for the Tax Credits, or the feasibility or viability of the Project, and may not be relied on as such by any owner, developer, investor, tenant, lender, or other person, for any reason. In addition, MFA's acceptance of the certifications and representations required in connection with Project Owner's request for the Carryover Allocation does not constitute a representation as to the satisfaction of the requirements under Section 42(h)(1)(E) as binding on the part of the Internal Revenue Service.

14. 10 Percent Test. In addition to all other terms and conditions of the Carryover Allocation, if, by the date of this Carryover Allocation Agreement, the Project Owner's basis in the Project is not more than ten percent (10%) of the reasonably expected basis in such Project, the Carryover Allocation is further subject to the Project Owner's demonstration to MFA, in a manner satisfactory to MFA, that more than ten percent (10%) of the reasonably expected basis in such Project has been achieved not later than **August 31, 2022**. Project Owner acknowledges that MFA's determination as to satisfaction of the 10 Percent Test is not binding upon the Internal Revenue Service and does not constitute a representation by MFA to the Project Owner or any other party to that effect.

15. Construction Start. No later than **August 31, 2022** the Project Owner must deliver evidence acceptable to MFA that construction of the Project has begun. This will include, at a minimum, building permits and color photographs of the site and building(s).

16. Release and Indemnification. The Project Owner acknowledges that, in issuing the Carryover Allocation, MFA relied upon information and representations given by or on behalf of the Project Owner and has made no independent investigation and does not have independent knowledge of the basis for such information and representations. Accordingly, to induce MFA to issue the Carryover Allocation, the Project Owner agrees as follows:

(a) The Project Owner hereby agrees to release and forever discharge MFA, its members, employees, agents, officers, successors and assigns of and from any and all claims, demands, causes of actions, judgments and executions which any of the Project Owner has or may hereafter have against MFA or any such other persons, whether in law or in equity, arising or resulting from, or on account of or pertaining to, whether directly or indirectly, MFA's issuance of the Carryover Allocation.

(b) The Project Owner hereby agrees to indemnify, hold harmless and defend MFA, and its members, officers, agents, employees, successors and assigns from any obligation, claim, loss, demand, cost, expense (including the costs of the investigation and settlement of any claim, and including reasonable attorney's fees) or judgment against MFA arising or resulting from, or on account of or pertaining to, whether directly or indirectly, MFA's issuance of the Carryover Allocation. If any such claim is asserted, any indemnified party

hereunder will give prompt notice to the Project Owner and will cooperate in the investigation and defense of any such claim. The Project Owner will assume the defense of any such asserted claim by engaging counsel approved by the indemnified party (which approval shall not be unreasonably withheld), it being understood that the indemnified party shall have the right to employ its own separate counsel and participate in such proceedings at its own cost and expense.

(c) If the indemnification provided in subsection (b) is, for any reason, either unavailable to MFA or any of the other persons intended to be indemnified thereby or insufficient to hold it or any of them harmless, then the Project Owner hereby agrees to contribute to all amounts paid or payable by MFA and such other persons as a result of any such obligation, claim, loss, demand, cost, expense, or judgment. The amount to be contributed by the Project Owner shall be the amount that is appropriate to reflect both the relative benefits received by the Project Owner, on the one hand, and by MFA and such other persons, on the other hand, and the relative degrees of fault of the Project Owner, on the one hand, and of MFA and such other persons, on the other hand.

17. Miscellaneous.

(a) The invalidity of any clause, part or provision of this Agreement shall not affect the validity of the remaining portions thereof.

(b) All notices to be given pursuant to this Agreement shall be in writing and shall be deemed given when mailed by certified or registered mail, return receipt requested, to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing.

To MFA: MFA  
344 4th Street SW  
Albuquerque, New Mexico 87102  
Attention: Housing Tax Credit Program

To the Project Owner: owner address and contact information]

\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_

MFA and the Project Owner may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

(c) This Agreement shall be governed by the laws of the State of New Mexico and, where applicable, the laws of the United States of America.

IN WITNESS WHEREOF, the parties have caused this agreement to be signed by their respective duly authorized representatives, as of the day and year first written above.

**[PROJECT OWNER]**

[SEAL]

By: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF \_\_\_\_\_, CITY OF \_\_\_\_\_

\_\_\_\_\_, COUNTY OF \_\_\_\_\_

)  
) ss.  
)

This instrument acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2021,

by \_\_\_\_\_ as \_\_\_\_\_

of \_\_\_\_\_.

My Commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

**NEW MEXICO MORTGAGE FINANCE AUTHORITY**

[SEAL]

By: \_\_\_\_\_

STATE OF NEW MEXICO, CITY OF \_\_\_\_\_

ALBUQUERQUE, COUNTY OF BERNALILLO \_\_\_\_\_

)  
) ss.  
)

This instrument acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2021,

by \_\_\_\_\_ as \_\_\_\_\_

of \_\_\_\_\_.

My Commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

**EXHIBIT A**  
**LEGAL DESCRIPTION**

SAMPLE

## EXHIBIT B

**2021**  
**Assignment of Building Identification Numbers**  
**of Each Building in the Project**

<b>COLUMN A</b> Building Address Street Address, City, State, Zip (or Description of Building Location)	<b>COLUMN B</b> Projected Placed-in-Service Date	<b>COLUMN C</b> BIN Number (reflecting the year the allocation is made)
1. _____	_____	NM - _____
2. _____	_____	NM - _____
3. _____	_____	NM - _____
4. _____	_____	NM - _____
5. _____	_____	NM - _____
6. _____	_____	NM - _____
7. _____	_____	NM - _____
8. _____	_____	NM - _____
9. _____	_____	NM - _____
10. _____	_____	NM - _____

**EXHIBIT C**  
**Set Aside Commitment for Families with Children**

Social Service Plan Component	Requirement	Detail
Set-aside requirement met and design elements and social service plan meet all requirements		
Experienced service coordinator on site		
Bi-monthly health and nutrition education (as described in 2021 QAP)		
Semi-annual CPR training		
Quarterly blood pressure or other health screening		
Quarterly computer training		
Weekly tutoring during school year		
Quarterly job training ,search assistance, and/or placement		
Gardening (as described in 2021 QAP)		
Food Resources Program (as described in 2021 QAP)		
Youth Character Building (as described in 2021 QAP)		
Beyond Financial Literacy (as described in 2021 QAP)		
Other MFA approved service		



**EXHIBIT D**  
**Set Aside Commitment for Seniors**

<b>Social Service Plan Component</b>	<b>Requirement</b>	<b>Detail</b>
Set-aside requirement and design elements and social service plan meet all requirements		
Community building and all Units incorporate Universal Design		
Experienced service coordinator on site		
Providing one prepared meal on a daily basis and available to all residents		
Bi-monthly health and nutrition education (as described in 2021 QAP)		
Quarterly blood pressure or other health screening		
Quarterly computer training		
Social events (as described in 2021 QAP)		
Beyond Financial Literacy (as described in 2021 QAP)		
Gardening (as described in 2021 QAP)		
Estate Planning and End of Life Planning (as described in 2021 QAP)		
Other MFA approved service.		

## EXHIBIT E

### Set Aside Commitment for Special Housing Needs Households

At least **[txtNoOfTargetUnits] ([nbrunits])** of the residential rental units in the Project shall be constructed, equipped, set-aside and made available for occupancy on a priority basis to Special Housing Needs Households. Set-aside units shall not be rented to other households unless the unit has been marketed for 30 days by the Project Owner and/or Management Company and both have made a good faith effort to market the residential unit to Special Housing Needs Households. Project Owner shall comply with the "Service Coordination" Plan submitted in their initial tax credit Application, including all marketing requirements, reporting requirements and any additional services proposed to be offered in the initial tax credit Application. The Service Coordination Plan and MOU's are attached to this Exhibit E as Exhibits E-1 and E-2.

Social Service Plan Component	Requirement	Detail
Set-aside requirement and design elements and social service plan meet all requirements as described in 2020 QAP & Service Coordination Certification ("Certification")		In accordance with the Service Coordination Certification for Households with Special Housing Needs. ATTACH COPY OF THE CERTIFICATION.
Experienced service coordinator on site		
Service/Program #1: (describe)	(Circle One Below) Monthly or Quarterly	
Service/Program #1: (describe)	(Circle One Below) Monthly or Quarterly	
Meet w/resident w/in 60 days of move-in & semi-annually thereafter, follow-up as needed		
Conduct Annual Survey		
Marketing Plan (as described in Certification)		
Subject to Reporting Requirements (as described in Certification)		
Food Pantry (as described in Certification)		
Free Transportation Services (as described in Certification)		
Health Promotion, Disease Prevention, Wellness Class, etc. (as described in Certification)		
Case Management services (as described in Certification)		

Other MFA approved service		
MOU w/Qualified Service Provider (as described in Certification)		

SAMPLE

# LOW INCOME HOUSING TAX CREDIT PROGRAM

## 2021 FINAL ALLOCATION PACKAGE



NEW MEXICO  
MORTGAGE FINANCE AUTHORITY

**NEW MEXICO MORTGAGE FINANCE AUTHORITY HOUSING TAX CREDIT PROGRAM  
2021 PLACED IN SERVICE AND FINAL ALLOCATION  
APPLICATION INSTRUCTIONS**

**General:** The final stage of the MFA Tax Credit allocation process involves submission of a Placed in Service Application and Final Allocation Application. The Placed in Service process is mandatory prior to year end, and the Final Allocation Application may be undertaken simultaneously or later. A complete Final Allocation Package should be submitted no later than 120 days following the close of the Project's first taxable year of the Credit Period. Until the Final Allocation Application is processed, MFA cannot issue the IRS Form 8609 needed for the investor to claim Tax Credits. This package contains the documentation required by MFA to verify that a Project was Placed in Service by the required date, and to determine a Project's eligibility for a Final Allocation.

**Projects Affected:** All projects with Year 2021 Carryover Allocations must be placed in service before December 31, 2023 and must at least submit a Placed in Service application by November 15<sup>th</sup>, 2023. Projects that have a Year 2021 Carryover Allocation or a Year 2021 Reservation and are being placed in service before December 31, 2022 must also submit these applications.

**Requirements:** To qualify for a Final Allocation or to document that a project with a 2021 Carryover Allocation was Placed in Service, the following requirements must be met and evidence submitted to MFA no later than 5:00 p.m. MST, November 15, 2023:

1. All buildings of the project must have received a Certificate of Occupancy in 2023 or earlier; and
2. If a Project is Placed in Service but is not ready to request 8609's, all items on the "Placed in Service" section of the checklist must be delivered; or
3. If a Project is Placed in Service and ready to request 8609's, all items listed in both the Placed in Service and Final Allocation sections of the Checklist must be delivered.

**Location for Delivery:** The Applications must be submitted to MFA at the following address:

New Mexico Mortgage Finance Authority  
344 Fourth Street SW  
Albuquerque, New Mexico 87102  
Attention: Housing Development/Housing Tax Credit Final Allocation

**Attached Materials:** Enclosed are checklists, forms and sample documents for some of the materials that must be submitted to MFA for final processing. A sample form of Land Use Restriction Agreement is included for your information only. Prior to the Application Deadline, MFA staff will complete this document and return it for your signature. The recorded LURA must be returned to MFA no later than December 30, 2023.

**Processing Steps for Placed in Service and Final Allocation:**

1. **November 15<sup>th</sup>**, Applicant submits Placed in Service or Final Allocation Application to MFA in conformance with § IV.A.4.b) of the 2021 QAP (hard copy + electronic copy, tabbed, bookmarked);
2. MFA prepares and delivers the Land Use Restriction Agreement ("LURA");
3. Owner executes LURA, records in appropriate county, and delivers the same to MFA prior to **December 30, 2023**.

4. MFA reviews Applications for completeness, underwrites project to ascertain financial viability, and recalculates the credit amount for Final Allocations;
5. Design Review. MFA must approve the final construction completion inspection described in Section IV.C.7. prior to 8609 issuance.

**Further Information:** Contact Jeanne Redondo 505-767-2210.

**HOUSING TAX CREDIT PROGRAM  
PLACED IN SERVICE AND FINAL ALLOCATION CHECKLIST**

**PROJECT NUMBER:** \_\_\_\_\_ **YEAR CARRYOVER RECEIVED:** \_\_\_\_\_

**PROJECT NAME:** \_\_\_\_\_

**PROJECT OWNER:** \_\_\_\_\_

**CONTACT NAME:** \_\_\_\_\_ **PHONE NUMBER:** \_\_\_\_\_

**Part I: Placed in Service Processing**

- ☐ (1) On the MFA provided "Development Project Application" complete or update Sections II, III, IV and the signature portion of page 7.
- ☐ (2A) New Construction Projects: Certificate of Occupancy for each building in the Project; or
- ☐ (2B) Rehabilitation Projects: Certificate of Completion, and, if acquisition credits are involved, evidence of the date the project was Placed in Service for acquisition purposes;
- ☐ (3) Color photos of each of the completed building(s) identified by address and BIN;
- ☐ (4) A completed *Project Ownership Profile*;
- ☐ (5) A completed Form 8609 Certification (original signature) (form attached);
- ☐ (6) A recorded Consent and Agreement to Recording of Land Use Restriction Agreement (LURA) from **every lien holder** (original signature);

**Part II: Additional Requirements for Final Allocation Application**

(These are in addition to items #2 – #6 above.)

- ☐ (7) Completed, and fully executed (with authorized original signature) Development Project Application for Final Allocation with schedules (A-1, B, C, D and F) indicating in yellow highlight all changes that have occurred or are being proposed subsequent to the time of the last application. Any change greater than 5 percent requires submission of a "narrative" discussing each change (from \$XX to \$YY) and the reason(s) for the change. All changes are subject to approval by MFA;
- ☐ (8) A completed and fully executed Schedule "M" Addendum for Final Allocation;

- ☐ (9) Written certification from the equity investor of a) total gross funds raised (or to be raised) from sale of the tax credits, b) itemization of all costs associated with the syndication, c) total equity payment to the partnership, d) pay-in schedule and relevant benchmarks, e) amount of tax credit expected, and f) gross price paid per dollar of tax credit;
- ☐ (10) Project Owner's certification, on *Final Cost Certification, MFA Form A* (and, if Tax Exempt Bond Financed, *Form A2*), of actual total Project costs and eligible basis incurred, signed (original signatures) and attested (form attached);
- ☐ (11) Completed Accountant's *Independent Auditor's Report, MFA Form B*, by independent tax accountant with correct Federal Tax Identification Number (form attached);
- ☐ (12) Completed *Costs Incurred by Building, MFA Form C*, showing costs incurred separately for **each** building (form attached);
- ☐ (13) Completed Owner's Attorney's Opinion; by independent tax attorney (original signature) (form attached)<sup>1</sup>;
- ☐ (14) Completed "As Built" Architect Certification (original signature) (form attached)<sup>1</sup>;
- ☐ (15) As-Built Site Plan, Building Floor Plans, and Unit Plans;
- ☐ (16) Fully executed Final Contractor's Application and Certificate for Payment, AIA Doc. G702, or equivalent;
- ☐ (17) Updated cash flow analysis (15-year pro forma);
- ☐ (18) Complete (with all exhibits attached) copy of the executed partnership or operating agreement;
- ☐ (19) Compliance Training Certificates for **both** owner and management company with each labelled accordingly and training completed within two (2) years of date of this application;
- ☐ (20) Certification identifying all sources of funds, including, but not limited to, federal, state, local funds, GP contributions and third party loans with detail on each source including type (whether it is a loan, grant, rent subsidy, etc.), terms and amount;
- ☐ (21) Copy of the signed cost certifications submitted to FHA, lenders, or RD (FmHA), as applicable; and

---

<sup>1</sup> Please note that forms of Independent Auditor's Report for Final Allocation and Owners' Attorney's Opinion are provided. These have been developed with the help of qualified professionals in each field. The form of Independent Auditor's Report is optional, the form of Owner's Attorney Opinion is required. If the MFA form of Independent Auditor's Report is not used, the Owner and CPA are solely responsible for their format meeting the requirements of IRC, Section 42, as amended and all other applicable laws, rules, and regulations. MFA will not make this determination. In addition, the form of "As-Built" Architect Certification is required, without modification.



- ☐ (22) Check payable to MFA (with tax credit project number and "HTC Compliance Fee") noted on check, in the amount of the total number of set aside units multiplied by \$50, for the first year's compliance monitoring fee (Owner may also elect to pay Compliance Fees for the entire 15-year Compliance Period).
- ☐ (23) Copy of the Recorded Land Use Restriction Agreement (LURA) (Only if the project was previously placed in service).
- ☐ (24) Projects with Units reserved for Special Needs, Families with Children and Projects reserved for Senior must provide a current copy of the Social Services Plan including contracts with service providers and service provider resumes.
- ☐ (25) Fully executed Deferred Fee Promissory Note between Project Owner and Developer, if applicable, for any amount of deferred developer fee.
- ☐ (26) HERS Report/Certification prepared and executed by a qualified third party HERS rater.
- ☐ (27) Projects with rental assistance contracts: provide copy of the current rental assistance contract.
- ☐ (28) For 4 percent LIHTC bond projects, final executed financing documents from all sources.
- ☐ (29) For Projects receiving points under Scoring Criteria #20 Non-Smoking Properties, copy of the Certification received.

#### **CONDITIONS TO ISSUANCE OF IRS FORM 8609**

The land use restriction agreement (LURA) must be recorded in the year the project is placed in service. A copy of the completed LURA will be sent to the owner for filing. However, the 8609(s) will not be issued by MFA until the following conditions have been met:

1. Each building in the Project is a qualified low-income building;
2. The Project Owner and the Project are in compliance with the terms of the LURA;
3. The Project Owner has provided, on MFA forms, a completed Final Allocation Application including, but not limited to, a certification of project costs and eligible basis of the project and of each building;
4. The Project Owner has provided a copy of the executed partnership or operating agreement;
5. The Project Owner has paid the first year compliance monitoring fee;
6. The Project Owner's representative and the management agent's representative have successfully completed a compliance training session conducted or approved by MFA; and
7. MFA has made its final determination of the credit amount and its final determination pursuant to section 42(m)(2) of the Code.

## Universal Rental Development Application

New Mexico Mortgage Finance Authority  
344 Fourth Street SW  
Albuquerque, NM 87102  
505-843-6880



Date of Application: \_\_\_\_\_

**For MFA Use**

Project Number: \_\_\_\_\_

### SECTION I: Application Type

Application for Tax Credit Projects: \_\_\_\_\_

Amount of Annual Federal Credit Requested: \_\_\_\_\_

Amount of State Credit Requested: \_\_\_\_\_

Federal Tax Credit Set-Aside: \_\_\_\_\_

Federal Tax Credit Application Type: \_\_\_\_\_

Development Activity Type: \_\_\_\_\_

Federal Tax Credit Activity Type: \_\_\_\_\_

If using Tax Exempt Bonds, will MFA be the Issuer? \_\_\_\_\_

If Applicant is applying for MFA loans, please check all appropriate boxes below and include on Schedule A-1:

- |                                     |  |  |
|-------------------------------------|--|--|
| <input type="checkbox"/> HOME       | <input type="checkbox"/> Ventana Fund*                         | <input type="checkbox"/> Preservation Revolving Loan Fund (PRLF) |
| <input type="checkbox"/> Primero    | <input type="checkbox"/> National Housing Trust Fund (NHTF)    |  |
| <input type="checkbox"/> Risk Share | <input type="checkbox"/> New Mexico Housing Trust Fund (NMHTF) |  |

Checking any of the above boxes indicates this Universal Rental Development Application will also serve as an initial application for the loan(s) indicated, and all items listed in the applicable subsection of the Attachments Checklist must be submitted as part of this application. Loan application fees are not required to be submitted with 9% applications but will be payable should the project receive a preliminary Tax Credit Reservation Letter. Upon issuance of the preliminary Tax Credit Reservation Letter, MFA staff will contact the Applicant if additional loan materials are required.

\*Application will be forwarded to Ventana Fund for review

### SECTION II: Project Address and Identification

Project Name: \_\_\_\_\_

Project Address: \_\_\_\_\_

City: \_\_\_\_\_

State: \_\_\_\_\_

County: \_\_\_\_\_

Zip Code: \_\_\_\_\_

Census Tract: \_\_\_\_\_

Congressional District: \_\_\_\_\_

State Senate District: \_\_\_\_\_

State House District: \_\_\_\_\_

Urban Area or Rural Area \_\_\_\_\_

(Per the 2021 QAP "Urban" definition)

(Attach additional sheet(s) if necessary)

### SECTION III: Description of Project

#### Subsidy, Period of Affordability - Use Restriction

Will project use project-based rental assistance subsidies? \_\_\_\_\_

Will project accept Section 8 vouchers or certificates? \_\_\_\_\_

No. of Units \_\_\_\_\_

#### Low Income Housing Tax Credit Applications:

Project owner irrevocably commits to an Extended Use Period of \_\_\_\_\_ years.\*

\*Includes 15 yr. compliance period

#### National Housing Trust Fund

The owner irrevocably commits to a use restriction period of \_\_\_\_\_ years.

**SECTION III: Description of Project (Continued)****Income, Rent and Occupancy Restrictions:**

The minimum Federal set-aside (for Federal Tax Credit or Risk-Sharing projects only) is:

**40% of Units at 60% of Area Median Income**

Note that only Low income units as determined by the Project's Set Aside Election are eligible for Tax Credits. For example, if the 20/50 Election is chosen, only Units that are rent restricted and set aside for tenants whose income does not exceed 50% of Area Gross Median Income are qualified as Low Income Units. See QAP §II.E.

List overall **RENT** restrictions

# Units	will be for households with incomes at or below	%	of the area median income
	will be for households with incomes at or below	20	of the area median income
	will be for households with incomes at or below	30	of the area median income
	will be for households with incomes at or below	40	of the area median income
	will be for households with incomes at or below	50	of the area median income
	will be for households with incomes at or below	60	of the area median income
	will be for households with incomes at or below	70	of the area median income
	will be for households with incomes at or below	80	of the area median income
	will be for households with no income limitation**	** Not available for LIHTC	
0	Total Rental Units		

List overall **INCOME** restrictions

# Units	will be for households with rents at or below	%	of the area median income
	will be for households with rents at or below	20	of the area median income
	will be for households with rents at or below	30	of the area median income
	will be for households with rents at or below	40	of the area median income
	will be for households with rents at or below	50	of the area median income
	will be for households with rents at or below	60	of the area median income
	will be for households with rents at or below	70	of the area median income
	will be for households with rents at or below	80	of the area median income
	will be for households at market rates**	**Not available for LIHTC	
0	Total Rental Units		

**Total Management Units** (considered facilities "reasonably required" for the project)

#DIV/0! **Low Income Units at 50% AGMI or below**

**Average Income**

**Target Population Information:**

% of Units	Population Type	# of Units

Supportive Services provided to residents?

Supportive Service costs included in rent?

Number of handicap accessible units:

**Site Information**

Site control is in the form of: ☐ Deed ☐ Option ☐ Lease ☐ Purchase Contract

☐ Other

Term (yrs)

Expiration date of contract, option or lease

(month/year)

Name of Seller or Lessor:

Address:

City:

State:

Telephone:

Zip code:

Is there an identity of interest between Buyer and Seller?

If yes, explain:

## Site Information (Continued)

Area of site: Acres  OR Square Feet

Is site zoned for your development?  Zoning

If no, is site currently in the process of re-zoning?  Re-zoning

When is the zoning issue to be resolved?  (month/year)

Has locality approved site plan?

Has locality issued building permit?

Are all utilities presently available to the site?

If no, which utilities need to be brought to the site?

Who has responsibility of bringing utilities to site?

## Rehabilitation - Buildings and Units

	# of Bldgs	Low income	Market rate	Mgr/Empl	Common	Commercial	Total
Buildings containing rental units	# of bldgs.]	# of units]	# of units]	# of units]			0
Gross square feet in buildings w/rental		Sq. Ft	Sq. Ft	Sq. Ft	Sq. Ft.	Sq.Ft.	0
Buildings w/o rental units	# of bldgs.]			# of bldgs.]			#VALUE!
Gross square feet in buildings w/o rental				Sq. Ft.	Sq. Ft.	Sq. Ft.	0
Total Units	# of units]	# of units]	# of units]				0
Total Sq. Ft.	Sq. Ft	Sq. Ft	Sq. Ft	#VALUE!	#VALUE!	#VALUE!	

Number of floors in tallest building:  Total number of elevators

Please check all applicable items:

- ☐ Apartments
 ☐ Detached units
 ☐ High rise (4 stories or more)
 ☐ Walk-up
 ☐ Slab on grade
- ☐ Townhome
 ☐ Semi-detached/duplex
 ☐ Mid rise (2-3 stories)
 ☐ Crawl space
- ☐ Group Home
 ☐ Assisted living
 ☐ Manufactured
 ☐ Other

Structural system:  Exterior finish:

Floor system:

## New Construction - Buildings and Units

	# of Bldgs	Low Income	Market Rate	Mgr/Empl	Common	Commercial	Total
Buildings containing rental units	# of bldgs.]	# of units]	# of units]	# of units]			0
Gross square feet in buildings w/rental		Sq. Ft	Sq. Ft	Sq. Ft	Sq. Ft.	Sq.Ft.	0
Buildings w/o rental units	# of bldgs.]			# of bldgs.]			#VALUE!
Gross square feet in buildings w/o rental				Sq. Ft.	Sq. Ft.	Sq. Ft.	0
Total Units	# of units]	# of units]	# of units]				0
Total Sq. Ft.	Sq. Ft	Sq. Ft	Sq. Ft	#VALUE!	#VALUE!	#VALUE!	

Number of floors in tallest building:  Total number of elevators

Please check all applicable items:

- ☐ Apartments
 ☐ Detached units
 ☐ High rise (4 stories or more)
 ☐ Walk-up
 ☐ Slab on grade
- ☐ Townhome
 ☐ Semi-detached/duplex
 ☐ Mid rise (2-3 stories)
 ☐ Crawl space
- ☐ Group Home
 ☐ Assisted living
 ☐ Manufactured
 ☐ Other

Structural system:  Exterior finish:

Floor system:

**Appliances and Amenities Provided Without Additional Charge:**

Amenity/Appliance	Market units	Low-income units
Refrigerator		
Gas range		
Electric range		
Dishwasher		
Disposal		
W/D hookups		
A/C or evap cooler		
Carpet		
Drapes/shades		
Exhaust fan		
Range hood		
Other		

**Monthly Utility Allowance Calculations:**

Utilities	Type of Utility	Utilities	Enter Allowances by Bedroom Size				
			0-bdr	1-bdr	2-bdr	3-bdr	___ bdr
Heating							
Evap cooling/AC							
Cooking							
Lighting, etc.							
Hot water							
Water							
Sewer							
Trash							
Total Utility Allowance for Units:			0	0	0	0	0

Source of Utility Allowance Calculation: \_\_\_\_\_

**Note: Documentation to support Utility Allowance claims from source identified above must be submitted with this application. Failure to do so will result in the application being deemed incomplete.**

**SECTION IV: Acquisition Projects Only**

Building(s) are vacant: \_\_\_\_\_

Does this project involve any relocation of tenants? \_\_\_\_\_

If yes, please describe the proposed relocation assistance and plan or attach a copy of the relocation plan: \_\_\_\_\_

Last date of occupancy mm/yy: \_\_\_\_\_

Year construction was completed: \_\_\_\_\_

Building(s) acquired or to be acquired from: \_\_\_\_\_

Building(s) acquired or to be acquired with Buyer's basis (Federal tax credit only): \_\_\_\_\_

Is this project a historic building? \_\_\_\_\_

Is the project located in a historic district? \_\_\_\_\_

Is a HUD approval for Transfer of Physical Assets required? \_\_\_\_\_

Are building(s) previously subsidized with Federal tax credits? \_\_\_\_\_

If yes, year of award \_\_\_\_\_ First year of credit period \_\_\_\_\_

List below, by address, the date the building was placed in service, the date the building was or is to be acquired, and the number of years between the date the building was placed in service and date of acquisition. Attach separate sheet(s) with additional information if necessary.

Address(es) of building(s)	Placed-in-service date (by most recent owner)	Proposed date of acquisition by applicant	Number of years between dates

**SECTION V: Developer/Project Contact Information**

Name:		Federal Tax I.D. Number:	
Address:		Telephone:	
		Fax:	
City:		Project contact:	
State:	Zip code:	Contact email:	

Organization type: 

\*Nonprofits must complete nonprofit developer information in Section VII of this application

**SECTION VI: Owner/Partnership/Borrower Information**

Note: MFA reserves Federal Tax Credits to the partnership and general partners. Reservations are not transferable. Any unapproved change in general partner status results in reservation, commitment, or carryover forfeiture.

Name of Borrower or Ownership Entity:	
Federal Tax I.D. Number:	
Type of Entity:	
If Other:	

List below: if Partnership, limited partners with a 25% or greater interest and all general partners; or if corporation/LLC, stockholders with a 10% or greater interest and all officers. Indicate "Title" i.e individual, Gen. Partner, Ltd Partner, Pres., Secy., Treas., Stockholder, etc. as appropriate. **(Federal Tax Identification Numbers are Required)**

Name:		Federal Tax I.D.:	
Title:		% Ownership:	
Address:		Contact:	
City:	State:	Zip code:	Phone:

Name:		Federal Tax I.D.:	
Title:		% Ownership:	
Address:		Contact:	
City:	State:	Zip code:	Phone:

Name:		Federal Tax I.D.:	
Title:		% Ownership:	
Address:		Contact:	
City:	State:	Zip code:	Phone:

**SECTION VII: Nonprofit Determination****(Federal Tax Credit, HOME, NHTF, and NMHTF Projects Only)**

If this project is to be considered for the Nonprofit Set-Aside, or for additional points for nonprofit participation, the following must be complete. To qualify for the nonprofit set-aside, the applicant must materially participate in the development and operation of the project throughout the compliance period. Within the meaning of IRC 469(h), "a (nonprofit) shall be treated as materially participating in an activity only if the (nonprofit) owns an interest in the project and is involved in the development and operation of the project on a basis which is regular, continuous or

Nonprofit name:		E.I.N.:	
Street address:		Telephone:	
City:	State:	Zip code:	
Contact person:		Email:	

Exemption Type: Exempt purposes includes fostering of Low-Income Housing: 

Will the nonprofit hold a 51% or greater interest in the General Partner (if partnership) or in the managing member (if LLC) and receive at least 10% of the developer fee?

**SECTION VII: Nonprofit Determination (Continued)**

Describe the nonprofit's participation in the development, operation, and/or management of the project:

**SECTION VIII: Previous Participation of Applicants**

♦ List all previous affordable multifamily housing development experience for each General Partner and any entity receiving all or part of a developer fee using Schedule H. If any Principal has an interest outside of the interests of the entities they represent, that Principal must complete a separate Schedule H.

♦ "Principal" means an applicant, any general partner of an applicant, and any officer, director, commissioner, shareholder, general partner, managing member, or an affiliate of an applicant. It also includes any entity receiving any part of a developer fee for a project.

**SECTION IX: Previous Participation of Management**

♦ List all previous multifamily management experience using Schedule I.

**SECTION X: Development Team Information**

	Developer Fee Amount	<sup>2</sup> Identity of Interest?
Developer <sup>1</sup>		
General Partner <sup>1</sup>		
Contractor <sup>1</sup>		
Management Co. <sup>1</sup>		
Consultant <sup>1</sup>		
Architect <sup>1</sup>		
Attorney		
Accountant		

<sup>1</sup> Each member of the development team must submit a resume which lists qualifications, address, telephone number and contact person.

<sup>2</sup> Please check the appropriate box and list below any direct or indirect, financial or other interest any member of the development team may have with another member of the development team, or between any of the parties involved in the acquisition, construction, refinancing, rehabilitation, or management of this project.

**SECTION XI: Notification of Local Official**

Provide the name of the smallest local political jurisdiction in which the project will be located and include the name

Political jurisdiction:

Chief Executive Officer:

Title:

Address:

City:

State:

Zip code:

Telephone:

All attachments to this Development Project Application form are identified in the appropriate Exhibits Checklist. All attachments must be clearly labeled and provided in the order requested.

MFA reserves the right to request additional materials as needed or require changes in the information submitted herewith. MFA may adjust any or all figures provided herein for underwriting purposes.

This is a multiple sheet Excel Workbook with Schedules for various MFA rental programs. Schedules "A" through "I" are separate worksheets (See Tabs at bottom while in Excel.).

Each of the schedules is required for the Low Income Housing Tax Credit (LIHTC) Application. There are other schedules which are also needed to complete the LIHTC Application (see website).

**Schedules F & G are only required for LIHTC, not for other rental applications such as HOME, Primero, NM Housing Trust Fund, Energ\$avers and Land Title Trust Fund.**

Schedules H & I are not required for 542 C Risk Share and ACCESS loans because those loan programs require that the Principals and the Management Agent complete HUD form 2530, which supplies the same information.



**2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION**  
**Schedule A: Development Cost Budget**

Project Name:					Date:			
Total Units:					Low Income Units:			
*Round figures to nearest dollar					FEDERAL HTC REQUESTS ONLY			
					RESIDENTIAL COSTS ONLY			
	TOTAL ACTUAL COST	COMMERCIAL	RESIDENTIAL	ACQUISITION BASIS	REHAB/NEW CONSTRUCTION BASIS	to be used if project is combined Rehab/NC to separate out both types of costs.		
<b>ACQUISITION COSTS</b>								
Land Acquisition								
Building Acquisition								
Other (a)								
SUBTOTAL	-	-	-	-	-	-	-	-
<b>TOTALS FROM SCHEDULE "D" CONTRACTOR'S AND MORTGAGOR'S COST BREAKDOWN</b>								
Demolition (I)	-	-	-	-	-	-	-	-
Accessory Structures (II)	-	-	-	-	-	-	-	-
Site Construction (III)	-	-	-	-	-	-	-	-
Buildings and Structures (IV)	-	-	-	-	-	-	-	-
Off-Site Improvements (V)	-	-	-	-	-	-	-	-
Other Costs (VI)	-	-	-	-	-	-	-	-
SUBTOTAL (VII)	-	-	-	-	-	-	-	-
<b>OTHER CONSTRUCTION COSTS</b>								
Contractor Overhead								
Contractor Profit								
General Requirements								
Construction Contingency								
Gross Receipts Tax (GRT)								
Landscaping								
Furniture, Fixtures, & Equipment								
Other (b)								
SUBTOTAL	-	-	-	-	-	-	-	-
<b>PROFESSIONAL SERVICES/FEES</b>								
Architect (Design)								
Architect (Supervision)								
Attorney (Real Estate)								
Engineer/Survey								
Other (c)								
SUBTOTAL	-	-	-	-	-	-	-	-
<b>CONSTRUCTION FINANCING</b>								
Hazard Insurance								
Liability Insurance								
Performance Bond								
Interest								
Origination/Discount Points								
Credit Enhancement								
Inspection Fees								
Title and Recording								
Legal								
Taxes								
Other (d)								
SUBTOTAL	-	-	-	-	-	-	-	-

--CONTINUED ON NEXT PAGE--

**2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION**  
**Schedule A: Development Cost Budget**

Project Name: <span style="border: 1px solid black; display: inline-block; width: 150px; height: 15px;"></span>		Date: <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>	
Total Units: <span style="border: 1px solid black; display: inline-block; width: 80px; height: 15px;"></span>		Low Income Units: <span style="border: 1px solid black; display: inline-block; width: 80px; height: 15px;"></span>	
*Round figures to nearest dollar			
FEDERAL HTC REQUESTS ONLY			
RESIDENTIAL COSTS ONLY			
TOTAL ACTUAL COST	COMMERCIAL	RESIDENTIAL	ACQUISITION BASIS
			REHAB/NEW CONSTRUCTION BASIS
			to be used if project is combined Rehab/NC to separate out both

  

**FOOTNOTES**

1) Subtotal from Section I. Schedule "D"

2) Subtotal from Section II. Schedule "D"

3) Subtotal from Section III. Schedule "D"

4) Subtotal from Section IV. Schedule "D"

5) Subtotal from Section V. Schedule "D"

6) Subtotal from Section VI. Schedule "D"

7) Subtotal from Section VII. Schedule "D"

  

<b>PERMANENT FINANCING COSTS</b>						
Bond Premium						
Credit Report						
Origination/Discount Points						
Credit Enhancement						
Title and Recording						
Legal						
Costs of Bond Issuance						
Pre-Paid MIP						
Reserves and Escrows						
Other (e)						
<b>SUBTOTAL</b>	-	-	-			
<b>SOFT COSTS</b>						
Market Study						
Environmental						
Tax Credit Fees						
Appraisal						
Hard Relocation Costs						
Accounting/Cost Certification						
Other (f)	-					
<b>SUBTOTAL</b>	-	-	-	-	-	-
<b>SYNDICATION</b>						
Organization						
Bridge Loan						
Tax Opinion						
Other (g)	-					
<b>SUBTOTAL</b>	-	-	-	-	-	-
TDC before Dev. Fees & reserves	-	-	-	-	-	-
<b>RESERVES</b>						
Rent Up						
Operating						
Replacement						
Escrows/Working Capital						
Other (h)						
<b>SUBTOTAL</b>	-	-	-	-	-	-
<b>DEVELOPER FEES</b>						
Developer Fee*						
Consultant Fee						
Relocation Consultant						
<b>SUBTOTAL</b>	-	-	-	-	-	-
<b>Total Development Cost (TDC)</b>	-	-	-	-	-	-

\*The amount of developer fee included in 30 percent basis will be proportional to acquisition cost (not including land) divided by total development cost (TDC). If the project just has land as acquisition, then there will not be a split in the developer fee. If you have any basis eligible acquisition costs, then the developer fee will be split based on the percentage of acquisition basis vs rehab basis. For example, if basis eligible acquisition costs are ¼ of TDC, ¼ of developer fee will be included in 30% basis. No deductions are made from TDC for the purpose of calculating the developer fee split.

**Applicant is required to provide detail on each "Other" row.**

ACQUISITION COSTS [Other (a)]	
DESCRIPTION OF COST	AMOUNT
TOTAL	-

OTHER CONSTRUCTION COSTS [Other (b)]	
DESCRIPTION OF COST	AMOUNT
TOTAL	-

<b>PROFESSIONAL SERVICES/FEEES [Other (c)]</b>	
<b>DESCRIPTION OF COST</b>	<b>AMOUNT</b>
TOTAL	-

CONSTRUCTION FINANCING COSTS [Other (d)]	
DESCRIPTION OF COST	AMOUNT
TOTAL	-

PERMANENT FINANCING COSTS [Other (e)]	
DESCRIPTION OF COST	AMOUNT
TOTAL	-

SOFT COSTS [Other (f)]	
DESCRIPTION OF COST	AMOUNT
TOTAL	-

SYNDICATION [Other (g)]	
DESCRIPTION OF COST	AMOUNT
TOTAL	-

RESERVES [Other (h)]	
DESCRIPTION OF COST	AMOUNT
TOTAL	-

2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION  
Schedule A-1: Sources of Funds

Project Name: 0

Date: 1/0/1900

Financing Sources	Lender/Program	Contact Person Name/Telephone No.	Construction Amount	Permanent Amount	Interest Rate	Payment		Term	
						Amount	Frequency	Amort. Yrs.	Loan Yrs.
First Mortgage									
Second Mortgage									
Third Mortgage									
Other Mortgage									
Other Mortgage									
Grant									
Grant									
Deferred Developer Fee									
		Subtotal:							
Other Equity									
Other Equity									
Tax Credit Proceeds									
		Total:							

Note: Total of Permanent Amount Column **Must** Equal Total Development Cost in Schedule A.

Are you willing to defer your developer fee without interest, if MFA's evaluation results in a need to do so?

If you plan to issue bonds, indicate amounts. Tax Exempt  
Taxable

Equity Installment Schedule		
	Date	Amount
Intial Installment		
2nd Installment		
3rd Installment		
4th Installment		
5th Installment		
Total		

Estimated annual tax credits times 10 years	
Mutiply by tax investor ownership percentage	
Total tax credits	0
Expected credit price	
Expected cash equity	0

**2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION**

**Schedule B: Unit Type and Rent Summary**

Project Name: 0

Date: 1/0/1900

Vacancy Rate: 7%

<b>Section A</b>	<b>Restricted Units at 80% of Median</b>						
Number BR/Unit Type	Efficiency	1-BR	2-BR	3-BR	-BR	-BR	Totals
Net Sq. Ft./Unit							
Number of Units							
Gross Monthly Rent/Unit <sup>(1)</sup>							
Minus: Utility Allowance							
Net Monthly Rent/Unit							
Annual Rental Income (All Units)							

<b>Section B</b>	<b>Restricted Units at 70% of Median</b>						
Number BR/Unit Type	Efficiency	1-BR	2-BR	3-BR	-BR	-BR	Totals
Net Sq. Ft./Unit							
Number of Units							
Gross Monthly Rent/Unit <sup>(1)</sup>							
Minus: Utility Allowance							
Net Monthly Rent/Unit							
Annual Rental Income (All Units)							

<b>Section C</b>	<b>Restricted Units at 60% of Median</b>						
Number BR/Unit Type	Efficiency	1-BR	2-BR	3-BR	-BR	-BR	Totals
Net Sq. Ft./Unit							
Number of Units							
Gross Monthly Rent/Unit <sup>(1)</sup>							
Minus: Utility Allowance							
Net Monthly Rent/Unit							
Annual Rental Income (All Units)							

<b>Section D</b>	<b>Restricted Units at 50% of Median</b>						
Number BR/Unit Type	Efficiency	1-BR	2-BR	3-BR	-BR	-BR	Totals
Net Sq. Ft./Unit							
Number of Units							
Gross Monthly Rent/Unit <sup>(1)</sup>							
Minus: Utility Allowance							
Net Monthly Rent/Unit							
Annual Rental Income (All Units)							

<b>Section E</b>	<b>Restricted Units at 40% of Median</b>						
Number BR/Unit Type	Efficiency	1-BR	2-BR	3-BR	-BR	-BR	Totals
Net Sq. Ft./Unit							
Number of Units							
Gross Monthly Rent/Unit <sup>(1)</sup>							
Minus: Utility Allowance							
Net Monthly Rent/Unit							
Annual Rental Income (All Units)							

<b>Section F</b>	<b>Restricted Units at 30% of Median</b>						
Number BR/Unit Type	Efficiency	1-BR	2-BR	3-BR	-BR	-BR	Totals
Net Sq. Ft./Unit							
Number of Units							
Gross Monthly Rent/Unit <sup>(1)</sup>							
Minus: Utility Allowance							
Net Monthly Rent/Unit							
Annual Rental Income (All Units)							

<b>Section G</b>	<b>Restricted Units at 20% of Median</b>						
Number BR/Unit Type	Efficiency	1-BR	2-BR	3-BR	-BR	-BR	Totals
Net Sq. Ft./Unit							
Number of Units							
Gross Monthly Rent/Unit <sup>(1)</sup>							
Minus: Utility Allowance							
Net Monthly Rent/Unit							
Annual Rental Income (All Units)							

<b>Section H</b>	<b>Market Rate / Unrestricted Units</b>						
Number BR/Unit Type	Efficiency	1-BR	2-BR	3-BR	-BR	-BR	Totals
Net Sq. Ft./Unit							
Number of Units							
Gross Monthly Rent/Unit <sup>(1)</sup>							
Minus: Utility Allowance							
Net Monthly Rent/Unit							
Annual Rental Income (All Units)							

<b>Section I</b>	<b>Total All Units (Total Section A-H)</b>						
Number BR/Unit Type	Efficiency	1-BR	2-BR	3-BR	-BR	-BR	Totals
Net Sq. Ft./Unit							
Number of Units							
Gross Monthly Rent/Unit <sup>(1)</sup>							
Minus: Utility Allowance							
Net Monthly Rent/Unit							
Annual Rental Income (All Units)							
Units Receiving Rental Assistance (To be included in Sections A-H)							
Management Units <sup>(2)</sup>							

<sup>(1)</sup>Not to exceed rent limits for program applied for.

<sup>(2)</sup>Management Units (those that are considered "common space" or are not included in Sections A-H for whatever reason) Specify Use:

2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION					
Schedule C: Operating Expense Budget					
Project Name:	0			Date:	1/0/1900
		Total Units:		Total Budget	Per Unit Cost
INCOME					
1	Annual Rental Income Per Schedule B/Section F				
2	Parking Income				
3	Laundry Income				
4	Other Income (Specify)				
	Income Subtotal			-	
5	Less Vacancy @		7%	-	
6	Commercial Income				
7	Less Vacancy @		5%		
8	TOTAL INCOME				
EXPENSES		ADMINISTRATIVE EXPENSES			
9	Accounting and Audit				
10	Advertising				
11	Legal				
12	Property Management Fee @		6.00%		
13	Gross Receipts Tax (GRT) on Management Fee				
14	Management Salaries/Taxes				
15	Office Supplies and Postage				
16	Telephone				
17	Annual Compliance Fees (\$50 per LI unit)				
18	Other (Specify):				
19	SUBTOTAL ADMINISTRATIVE EXPENSES				
		UTILITY EXPENSES			
20	Fuel (Heat and Water)				
21	Electricity				
22	Water and Sewer				
23	Gas				
24	Garbage/Trash				
25	Other (Specify):				
26	SUBTOTAL UTILITY EXPENSES				
		MAINTENANCE EXPENSES			
27	Elevator				
28	Exterminating				
29	Grounds				
30	Repairs				
31	Maintenance Salaries and Taxes				
32	Maintenance Supplies				
33	Pool				
34	Snow Removal				
35	Decorating				
36	SUBTOTAL MAINTENANCE				
		FIXED EXPENSES			
37	Real Estate Taxes				
38	In Lieu of Taxes				
39	Other Tax Assessments				
40	Insurance				
41	Other (Specify):				
42	SUBTOTAL FIXED EXPENSES				
		SUBTOTAL EXPENSES BEFORE RESERVES			
		RESERVE FOR REPLACEMENT/OTHER RESERVES			
43	Reserve for Replacement (Annual)		(1)		
44	Other (Specify):				
45	Other (Specify):				
46	Other (Specify):				
47	Other (Specify):				
48	SUBTOTAL RESERVES (Do not include debt service)				
49	Enrichment Services				
50	TOTAL EXPENSES				
51	NET OPERATING INCOME (Total Income Minus Total Expenses)				
(1) Minimum reserves per unit per year: \$250/unit/year for Senior Housing (new construction only), and \$300/unit/year for all other new construction and rehabilitation projects.					
Management Agent/Applicant Certification: The operating budget provided above is that which will serve as the project's operating budget for its first year of operations, pursuant to agreement by the following parties:					
Management Agent Signature: _____ Date: _____					
Printed Name/Title: _____					

2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION				
Prior Year Operating Expenses - REHABILITATION PROJECTS ONLY				
Project Name:				
		Total Units:		
			Total	Per Unit Cost
INCOME				
	Annual Rental Income			
	Parking Income			
	Laundry Income			
	Other Income (Specify)			
	Income Subtotal		-	
	Less Vacancy @		7%	-
	Commercial Income			
	Less Vacancy @		5%	
	TOTAL INCOME			
EXPENSES	ADMINISTRATIVE EXPENSES			
	Accounting and Audit			
	Advertising			
	Legal			
	Property Management Fee @		6.00%	
	Gross Receipts Tax (GRT) on Management Fee			
	Management Salaries/Taxes			
	Office Supplies and Postage			
	Telephone			
	Annual Compliance Fees (\$50 per LI unit)		(if applicable)	
	Other (Specify):			
	SUBTOTAL ADMINISTRATIVE EXPENSES			
	UTILITY EXPENSES			
	Fuel (Heat and Water)			
	Electricity			
	Water and Sewer			
	Gas			
	Garbage/Trash			
	Other (Specify):			
	SUBTOTAL UTILITY EXPENSES			
	MAINTENANCE EXPENSES			
	Elevator			
	Exterminating			
	Grounds			
	Repairs			
	Maintenance Salaries and Taxes			
	Maintenance Supplies			
	Pool			
	Snow Removal			
	Decorating			
	SUBTOTAL MAINTENANCE			
	FIXED EXPENSES			
	Real Estate Taxes			
	In Lieu of Taxes			
	Other Tax Assessments			
	Insurance			
	Other (Specify):			
	SUBTOTAL FIXED EXPENSES			
	SUBTOTAL EXPENSES BEFORE RESERVES			
	RESERVE FOR REPLACEMENT/OTHER RESERVES			
	Reserve for Replacement (Annual)		(1)	
	Other (Specify):			
	Other (Specify):			
	Other (Specify):			
	Other (Specify):			
	SUBTOTAL RESERVES (Do not include debt service)			
	Enrichment Services			
	TOTAL EXPENSES			
	NET OPERATING INCOME (Total Income Minus Total Expenses)			
Management Agent Signature: _____ Date: _____				
Printed Name/Title: _____				



2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION  
Schedule C-1: Cash Flow Projection

Project Name:		Annual Inflation Factors														
		Residential Rents:					Vacancy:					Commercial Vacancy:				
		Expenses (except Mgmnt fees):														
		Replacement Reserves:														
0.00		Date: 1/0/1900														
Annual Projections (Post Construction Period)		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Income																
Residential Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vacancy Loss	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Commercial Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Commercial Income Vacancy Loss	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Effective Gross Income (EGI)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Expenses																
Expenses (less reserves and mgt fees)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mgmnt fees + GRT (increases with EGI)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserves	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Operating Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Debt Service (Hard Debt)																
First Mortgage		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Second Mortgage		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Third Mortgage		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fourth Mortgage		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Debt Service	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Project Cash Flow	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt Service Coverage - First	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Debt Service Coverage - All Debt	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Deferred Developer Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

**2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION**  
**Schedule D: Contractor's and Applicant's Cost Breakdown**

Project Name:		0			Federal HTC Requests ONLY	
Construction Period: Start Date:			Completion:		Residential Costs ONLY	
	Trade Item	Total Cost [A] <sup>(1)</sup>	Commercial [B]	Residential [C]	30% HTC Basis [D]	70% HTC Basis [E]
I.	<b>Demolition</b>					
II.	<b>Accessory Structures</b>					
III.	<b>Site Construction</b>					
	Earth Work					
	Site Utilities					
	Roads & Walks					
	Site Improvements					
	Lawns & Planting					
	Unusual Site Conditions					
	<i>Sub-total: Site Construction</i>	0	0	0	0	0
IV.	<b>Buildings and Structures</b>					
	Concrete					
	Masonry					
	Metals					
	Woods and Plastics					
	Thermal and Moisture Protection					
	Doors and Windows					
	Finishes					
	Specialties					
	Equipment					
	Furnishings					
	Special Construction					
	Conveying Systems					
	Mechanical					
	Electrical					
	<i>Sub-total: Building and Structures</i>	0	0	0	0	0
V.	<b>Off-Site Improvements (List)</b>					
	<i>Sub-total: Off-Site Improvements</i>	0	0	0	0	0
VI.	<b>Other Costs (List)</b>					
	Hard costs only - Do not include those listed in Sched. A (e.g. "Other Construction Costs")					
	<i>Sub-total: Other Costs</i>	0	0	0	0	0
VII.	<b>TOTAL CONSTRUCTION COSTS</b>	0	0	0	0	0

<sup>(1)</sup> Sum of Columns B and C.

Contractor Signature: \_\_\_\_\_

Date \_\_\_\_\_

Contractor Firm: \_\_\_\_\_

\_\_\_\_\_

**2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION**  
**Schedule E: Development Schedule**

Project Name:

0

Date:

1/0/1900

ACTIVITY	Scheduled Date: Month/Year	Check if Complete	Assigned Staff
<b>Site</b>			
Option/Contract Executed			
Environmental Review Completed			
Site Acquisition			
Zoning Approval			
<b>Financing: Non-MFA Sources</b>			
<u>Construction Loan</u>			
Application			
Approval			
Closing			
<u>Permanent Loan</u>			
Application			
Approval			
Closing			
<u>Tax Credit Equity</u>			
RFP			
Letter of Intent			
Partnership Closing			
<u>Other Loans &amp; Grants</u>			
Type/Source:			
Application			
Award			
Closing			
<u>Other Loans &amp; Grants</u>			
Type/Source:			
Application			
Award			
Closing			
<b>Plans &amp; Specifications Completed</b>			
<b>Relocation Plan Completed</b>			
<b>Building Permits Obtained</b>			
<b>Construction Start</b>			
<b>Construction Completion</b>			
<b>Fair Housing Marketing Plan Completed</b>			
<b>Placed-in-Service/C of O</b>			
<b>Lease-Up</b>			

# 2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION

## Schedule F: Estimate of Tax Credit Allocation

Project Name: 0

Date: 1/0/1900

		30% HTC Basis	70% HTC Basis	For MFA Use
	Total Eligible Basis (From Schedule A)			
Less:	Federal grant used to finance qualifying development costs (specify source)			
Less:	Non-qualified non-recourse financing / federal subsidy (specify source)			
Less:	Non-qualifying excess portion of higher quality market rate units			
Less:	Historic Tax Credit (Residential Portion Only)			
Equals:	<b>Eligible Basis</b>			
Multiplied by:	Adjustment for boost <sup>(1)</sup>	100%	130%	
Equals:	<b>Eligible Basis</b>			
Multiplied by:	Applicable Fraction (Insert the lesser of the fractions calculated below.) Multiply line above by this fraction to obtain Total Qualified Basis below.	0.00%	0.00%	
Equals:	<b>Total Qualified Basis</b>			
Multiplied by:	Applicable Tax Credit Percentage			
Equals:	<b>Tax Credit Eligibility</b>			
	<b>Total Tax Credit Request</b>			

Applicable Fraction Calculation:				
	Floor Space Fraction		Unit Fraction	
Total Residential Rental Floor Space			Total Units	
Low-Income Units Floor Space			Low-Income Units	
Percent Low-Income			Percent Low-Income	

(1) If site lies in either a Qualified Census Tract (QCT) or Difficult to Develop Area (DDA), insert 130%, if the project is eligible for the State discretionary boost, insert the appropriate percentage required for financial feasibility, otherwise insert 100%.

**2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION**  
**Schedule G: Affordable Unit Set-Aside Election**

Project Name:

0

The Owner irrevocably elects one of the Minimum Set-Aside Requirements:

☐

At least 20% of the residential units in this development are rent-restricted and to be occupied by households with incomes at 50% or less of area median income; or

☐

At least 40% of the residential units in this development are rent-restricted and to be occupied by households with incomes at 60% or less of area median income; or

☐

At least 40% of the residential units in this development are rent and income restricted and the average income limit for all tax credit units in the Project is at 60% or less of area median income; or

☐

Deep rent skewing option as defined in Section 42

Only Low Income Units as determined by the Project's Set Aside Election are eligible for Tax Credits. For example, if the 20/50 Election is chosen, only Units that are rent restricted and set aside for tenants whose income does not exceed 50% of Area Gross Median Income are qualified as Low Income Units.

In order to qualify for tax credits, projects must meet the minimum set-aside elected as of the close of the first year of the credit period.

Signature\_\_\_\_\_

Date: \_\_\_\_\_

Signature\_\_\_\_\_

Date: \_\_\_\_\_

2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION  
Schedule H: Applicant's Previous Participation Certificate

Entity Name: \_\_\_\_\_

Role in Project: \_\_\_\_\_

Name of signer: \_\_\_\_\_

Title of signer: \_\_\_\_\_

Project Name	Project Address	Status of Project	# of Units	Type(s) of Financing	Most recent Compliance Audit	Most recent Physical Inspection	Was Project ever in Default During your participation?	List any Co-Developers or Consultants
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	
					Date: _____ Agency: _____ Rating: _____	Date: _____ Agency: _____ Rating: _____	If "Yes" attach explanation	

The undersigned being duly authorized, hereby represents and certifies under penalty of perjury that the foregoing information, to the best of his/her knowledge, is true, complete and accurate, and hereby consents to the release of information to MFA by any other State or Federal agency monitoring Project compliance.

Name of Signer \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

- 1) Each General Partner and any entity receiving all or part of the developer fee must submit a separate Schedule H listing all projects in which they have a financial interest.
- 2) If Executive Staff, Board Member, Commissioners, or other Pricipals have interests in projects other than those already listed on a Schedule H, they must submit a seperate Schedule H listing the additional projects.

"Principal" means an Applicant, any general partner of an Applicant, and any officer, director, board member or any shareholder, general partner, managing member, or affiliate of an Applicant. It also includes any entity receiving any part of a developer fee for a Project. For Project compliance purposes (Section IV.C.10 of the QAP), Principal would include shareholders with interests of 25 percent or more, all officers of a corporation (whether Board members or employees), all general partners or members.

**2021 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION**  
**Schedule I: Previous Participation of Management**

Development Name	Development Address	Owner Name/Address/Phone	# of Units	# of Affordable Units	Most recent Compliance Audit		Most recent Physical Inspection		On-site Manager	Type of Development (LIHTC, Market, HUD, USDA-RD, etc)
					Date:		Date:			
					Agency:		Agency:			
					Rating:		Rating:			
					Date:		Date:			
					Agency:		Agency:			
					Rating:		Rating:			
					Date:		Date:			
					Agency:		Agency:			
					Rating:		Rating:			
					Date:		Date:			
					Agency:		Agency:			
					Rating:		Rating:			
					Date:		Date:			
					Agency:		Agency:			
					Rating:		Rating:			
					Date:		Date:			
					Agency:		Agency:			
					Rating:		Rating:			
					Date:		Date:			
					Agency:		Agency:			
					Rating:		Rating:			
					Date:		Date:			
					Agency:		Agency:			
					Rating:		Rating:			

The undersigned being duly authorized, hereby represents and certifies under penalty of perjury that the foregoing information, to the best of his/her knowledge, is true, complete and accurate. The undersigned hereby acknowledges that MFA may, at its option, verify the information provided herein by contacting the Owner listed above.

Name of Signer \_\_\_\_\_

Title of Signer \_\_\_\_\_

Company \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

This portion of the final application has 4 pages. To print the whole application, you must select "entire workbook" under File, Print.



**New Mexico Mortgage Finance Authority ("MFA")**  
**Schedule M**  
**Addendum to the Final Allocation Application**

---

This is an application for **Final Allocation** of Federal low-income housing tax credits ("Credits"). The application must be **signed, dated and notarized** and the **first year's compliance monitoring fee attached**. The applicant must submit an updated Development Project Application, complete this form (Application for Final Allocation), and include all documents listed on the "Final Checklist." MFA staff will be available to assist you prior to the submission of this application.

**I. General Project Information**

Project Name \_\_\_\_\_

Amount of Annual Credit Requested \$ \_\_\_\_\_

Amount of Annual Credit Awarded at Reservation or Carryover \$ \_\_\_\_\_

Year the Tax Credit will begin \_\_\_\_\_

**II. Owner Information**

The Project Owner must be a legal entity (e.g. partnership, corporation etc.) or individual who will be named on IRS Form 8609 as the project owner.

☐ Current owner and will retain ownership

☐ Current owner and will not be part of the final ownership entity

If not, briefly describe the planned process and timing for disposition of this project.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Legal Status of Owner: ☐ Incorporated ☐ Registered ☐ Chartered ☐ Individual

**III. Subsidies**

A. Loan and Grant Subsidies If none apply, so indicate here: ☐

	<u>Loan</u>	<u>Grant</u>	<u>Deducted From</u>	
	Yes	Yes	<u>Eligible Basis</u>	
	Yes	Yes	Yes	No*
Federal Funds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tax Exempt Financing**	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
HOME Investment Partnership Act (HOME)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
National Housing Trust Fund	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
RD 515 (formerly FmHA)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Flexible Subsidy Loan (Flex Sub)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (specify) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**\*If no, must provide explanation and documentation.**

Does the use of any of the above categorize this project as "federally subsidized" and, therefore, eligible only for the 30% present value tax credit? ☐ Yes ☐ No

If yes, which ones? \_\_\_\_\_

**\*\*If tax exempt financing is used, show calculation demonstrating that at least 50% of the aggregate basis is financed with tax exempt bonds. (see Form A2)**

### III. Subsidies (Continued)

	<u>Loan</u>	<u>Grant</u>	<u>Deducted From</u>	
	<u>Yes</u>	<u>Yes</u>	<u>Eligible Basis</u>	
			<u>Yes</u>	<u>No</u>
Community Development Block Grant (CDBG)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
State: (specify) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Local: (specify) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Private: (specify) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (specify) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Is taxable bond financing used? ☐ Yes ☐ No

What, if any, Credit Enhancements are used? (check all that apply)

FHA Insurance	<input type="checkbox"/>
Private Mortgage Insurance	<input type="checkbox"/>
Letter(s) of Credit	<input type="checkbox"/>
Other (specify) _____	<input type="checkbox"/>

Rent Subsidy Anticipated

If none apply, so indicate here: ☐

Approval Date

RD (formerly FmHA)	_____ %	_____
HUD Project-Based Section 8 Certificates or HAP Contracts	_____ %	_____
HUD Vouchers	_____ %	_____
HUD Tenant-Based Certificates	_____ %	_____
Other HUD (specify) _____	_____ %	_____
State	_____ %	_____
Local	_____ %	_____
Owner	_____ %	_____
Other (specify) _____	_____ %	_____

Pre-Existing Subsidies (Rehab and Rehab/Acquisition projects only)

Indicate with an "X" any of the following that are currently utilized by the project.

HUD Sec 221(d)(3)	<input type="checkbox"/>
HUD Sec 236	<input type="checkbox"/>
HUD Sec 236 and Tax Exempts	<input type="checkbox"/>
HUD Sec 8 New Constr/Sub Rehab	<input type="checkbox"/>
HUD Rent Sup/RAP	<input type="checkbox"/>
RD (formerly FmHA) 515	<input type="checkbox"/>
RD (formerly FmHA 521) (rent subsidy)	<input type="checkbox"/>
Tax Exempt Bonds	<input type="checkbox"/>
State/Local	<input type="checkbox"/>

Will the mortgage insurance or financing subsidy continue?

☐ Yes (specify term): \_\_\_\_\_  
☐ No

### IV. Tax Credit Syndication

List Syndication Installments: # Pay-In Periods \_\_\_\_\_ Over \_\_\_\_\_ Years  
Amounts: \_\_\_\_\_

Have the Tax Credits been Syndicated? ☐ Yes ☐ No

1. If no, attach a description explaining how the tax benefits will be used and how that will benefit the project.
2. If yes, answer each of the following:  
Type of offering: ☐ Public ☐ Private  
Type of Investor: ☐ Individuals ☐ Corporations

#### **IV. Tax Credit Syndication (Continued)**

Syndicators or Equity Sources:

1. Name Source \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ Phone \_\_\_\_\_

2. Name Source \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ Phone \_\_\_\_\_

**Please use an additional sheet of paper if necessary to list all equity sources.**

Does this project qualify for Historic Rehabilitation Credits\*?

If yes, what is the credit amount? \_\_\_\_\_ (\*provide award document: U.S. Park Service, Parts I & II)

LIHTC Syndication costs will be evaluated along with other project costs. Please list all costs of syndication associated with the project.

LIHTC Gross Proceeds \_\_\_\_\_

Less:

Attorney \_\_\_\_\_  
Accountant \_\_\_\_\_  
Consultant(s) \_\_\_\_\_  
Broker(s) \_\_\_\_\_  
Bridge Loan & Interest \_\_\_\_\_  
Syndicator \_\_\_\_\_  
Other (specify) \_\_\_\_\_

Total Costs \_\_\_\_\_

Net LIHTC Proceeds \_\_\_\_\_

Net Proceeds/Gross Proceeds \_\_\_\_\_ %

#### **V. Compliance Monitoring Fee**

A compliance monitoring fee for the first year is due at the time of final application submission. The annual fee is \$50 per Low-Income unit.

\_\_\_\_\_ Low income units X \$ 50 \_\_\_\_\_

(Make check payable to New Mexico Mortgage Finance Authority)

#### **VI. Owner Elections**

	<b><u>Locked in at Carryover</u></b>	<b><u>Locked in at Place-In-Service Month</u></b>
Applicable Credit Percentage:	<input type="checkbox"/>	<input type="checkbox"/>
Gross Rent Floor:	<input type="checkbox"/>	<input type="checkbox"/>
Begin Credit Period:	<input type="checkbox"/> Begin Place-In-Service Year	<input type="checkbox"/> Begin Succeeding Taxable Year

\* Must provide explanation and documentation.

## **VII. Applicant Certification**

It is understood by the applicant that full Treasury regulations for the Low-Income Housing Tax Credit, have not been promulgated; therefore, all program materials for the New Mexico Mortgage Finance Authority's Low-Income Housing Tax Credit Program are subject to change.

The undersigned Project Owner hereby makes application to the New Mexico Mortgage Finance Authority (MFA) for a final allocation of the Federal Low Income Housing Tax Credit dollar amounts that are listed in the application. The undersigned agrees that MFA will at all times be indemnified and held harmless against all losses, costs, damages, expenses, and liabilities of whatsoever nature or kind (including, but not limited to attorney's fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgment, any loss from judgment from Internal Revenue Service) directly or indirectly resulting from, arising out of, or related to acceptance, consideration and approval or disapproval of such allocation request.

The undersigned, being duly authorized, hereby represents and certifies that the foregoing information, to the best of his/her knowledge, is true, complete and accurately describes the Project. Misrepresentations of any kind will be grounds for denial or loss of the tax credits and may affect future participation in the tax credit program in New Mexico.

**IN WITNESS WHEREOF, the applicant has caused this document to be duly executed in its name**  
on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
Month Year

**[PROJECT OWNER]**

[SEAL]

By: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF \_\_\_\_\_, CITY OF \_\_\_\_\_ )  
 ) ss.  
\_\_\_\_\_, COUNTY OF \_\_\_\_\_ )

This instrument acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
Month Year  
by \_\_\_\_\_ of \_\_\_\_\_.

My Commission expires: \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

**Form A**  
**New Mexico Mortgage Finance Authority**  
**Final Certification of Sources and Uses of Funds**

**Purpose**

The Final Certification of Sources and Uses of Funds Form is to provide New Mexico Mortgage Finance Authority ("MFA") with a certified report of all sources of financing for the Project and an accounting of how those funds were used in the acquisition and construction or rehabilitation of the Project. It is a requirement that all Project Owners complete this form in its entirety, that the amounts be accurate, and those same amounts be reflected in the independent certified public accountant's cost certification letter (MFA Form B) for the Project as a whole and broken down for each building in the project, if applicable (MFA Form C).

**Who Must Sign and File**

This certification must be signed by the Project Owner and attested to by an appropriate person in your organization.

**Completing the Final Certification of Sources and Uses of Funds Form**

**Cost Categories** Each item must be placed on the appropriate line item category. If you have an item that is not listed, use ***Other*** and specify the nature of the cost. All fees paid to consultants must be identified and listed on the "Consultant Fees" line.

**Construction**

**Costs** Construction line items must match and equal the construction costs listed on Schedule D. This includes Demolition, Accessory Structures, Site Construction, Buildings and Structures, Off-Site Improvements, and Other Costs.

**LIHTC Investor** Indicate the areas where the equity investor's funds apply. On page 4 **Equity** complete the syndication cost information, if applicable.

**Sources of Funds** Use a separate column for each source of funding for your project. Place the funding amounts on the appropriate line item, (e.g. "Source 1 was a grant that was used to purchase the land.").

**Eligible Basis** This column contains XXXXXs on line items that are not allowed in Eligible Basis for Low-Income Housing Tax Credits.

**Totals** Subtotal each category and enter the total use of funds for each column on page 4.

**FORM A: FINAL CERTIFICATION OF USES**

Project Name: \_\_\_\_\_

LIHTC Project No. \_\_\_\_\_

As-Of Date: \_\_\_\_\_

\*Round figures to nearest dollar

[illegible]

## PERMANENT FINANCING COSTS

[illegible]

FORM A: FINAL CERTIFICATION OF USES

Project Name: \_\_\_\_\_

LIHTC Project No. \_\_\_\_\_

As-Of Date: \_\_\_\_\_

\*Round figures to nearest dollar

	TOTAL ACTUAL COST	COMMERCIAL	RESIDENTIAL	LIHTC INVESTOR EQUITY	SOURCE 1	SOURCE 2	SOURCE 3	SOURCE 4	ACQUISITION BASIS	REHAB/NEW CONSTRUCTION BASIS	HIGH COST AREA BASIS INCREASE
Title and Recording											
Legal											
Costs of Bond Issuance											
Pre-Paid MIP											
Reserves and Escrows											
Other (e)											
SUBTOTAL	-	-	-	-	-	-	-	-	-	-	-
SOFT COSTS											
Market Study											
Enviromental											
Tax Credit Fees											
Appraisal											
Hard Relocation Costs											
Accounting/Cost Certification											
Other (f)											
SUBTOTAL	-	-	-	-	-	-	-	-	-	-	-
SYNDICATION											
Organization											
Bridge Loan											
Tax Opinion											
Other (g)											
SUBTOTAL	-	-	-	-	-	-	-	-	-	-	-
TDC before Dev. Fees & Reserves	-	-	-	-	-	-	-	-	-	-	-
RESERVES											
Rent Up											
Operating											
Replacement											
Escrows/Working Capital											
Other (h)											
SUBTOTAL	-	-	-	-	-	-	-	-	-	-	-
DEVELOPER FEES											
Developer Fee											
Consultant Fee											
Relocation Consultant											
SUBTOTAL	-	-	-	-	-	-	-	-	-	-	-
Total Development Cost	-	-	-	-	-	-	-	-	-	-	-

\* CONSTRUCTION COSTS MUST MATCH SCHEDULE "D" CONTRACTOR'S AND MORTGAGOR'S COST BREAKDOWN

Applicant is required to provide detail on each "Other" row.

ACQUISITION COSTS [Other (a)]	
DESCRIPTION OF COST	AMOUNT
TOTAL	-

OTHER CONSTRUCTION COSTS [Other (b)]	
DESCRIPTION OF COST	AMOUNT
TOTAL	-

PROFESSIONAL SERVICES/FEES [Other (c)]	
DESCRIPTION OF COST	AMOUNT
TOTAL	-

CONSTRUCTION FINANCING COSTS [Other (d)]	
DESCRIPTION OF COST	AMOUNT
TOTAL	-

PERMANENT FINANCING COSTS [Other (e)]	
DESCRIPTION OF COST	AMOUNT
TOTAL	-

SOFT COSTS [Other (f)]	
DESCRIPTION OF COST	AMOUNT
TOTAL	-

SYNDICATION [Other (g)]	
DESCRIPTION OF COST	AMOUNT
TOTAL	-

RESERVES [Other (h)]	
DESCRIPTION OF COST	AMOUNT
TOTAL	-

CERTIFICATION BY OWNER: As owner(s) of the above-referenced low-income housing project, I certify that the project costs contained herein are accurate and actual costs associated with the construction, acquisition and/or rehabilitation of this project and that the sources of funds shown are the only funds received by the project for the

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Project Owner

Acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_  
STATE OF \_\_\_\_\_ )  
CITY OF \_\_\_\_\_ COUNTY OF \_\_\_\_\_ )SS  
My commission expires: \_\_\_\_\_



## FORM A2: Private Activity Bond Volume Cap 50% Test Summary and Use Detail

This page is **only** needed for projects receiving housing tax credits in conjunction with private activity bond volume capacity financing

### PART I

A. Amount of Tax Exempt Bond Financing:	
B. Cost of Land for Project (from Final A p.1):	
C. Eligible Basis in Project (from Final A, p. 4):	
D. Total Aggregate Basis (B+C)	-

### 50% Test

Amount of Tax Exempt Bond Financing:	-
divided by: Aggregate Basis	-
% Financed	#DIV/0!

Tax exempt financing must be greater than 50% of the Aggregate Basis for the project to qualify for special tax credit treatment under section 42(h)(4)

### PART II

Please provide itemized cost detail on Bond Proceed Uses. Examples are below.

Description	Total Cost of Item	Amount of Bond Proceeds Used
Land	500,000	250,000
Legal Fees	320,000	300,000
Architectural Fees	178,000	150,000
Construction Costs	6,874,500	4,500,000
Total		\$ 5,200,000

**FORM B: FINAL COST CERTIFICATION LETTER**

**Independent Accountant's Report**

(must be submitted with Final Allocation Package on Accounting Firm's letterhead)

Date: \_\_\_\_\_

Owner Name: \_\_\_\_\_

Project Name: \_\_\_\_\_

Project Number: \_\_\_\_\_ Owner's TIN: \_\_\_\_\_

We have examined the costs included in the accompanying New Mexico Mortgage Finance Authority ("MFA") Final Cost Certification (MFA "Form A") of \_\_\_\_\_ (the "Owner") for \_\_\_\_\_ ("the Project") as of \_\_\_\_\_, 20\_\_. Form A is the responsibility of the Owner and the Owner's management. Our responsibility is to express an opinion on the Final Cost Certification based on our examination.

Our examination was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting Form A and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

The accompanying Form A was prepared in conformity with the accounting practices prescribed by the Internal Revenue Service, under the accrual method of accounting, and in conformity with the format and qualified allocation plan rules set by MFA, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, Form A presents fairly, in all material respects, the actual costs of \$\_\_\_\_\_ and eligible basis of \$\_\_\_\_\_ of the Owner for the Project as of \_\_\_\_\_, 20\_\_, on the basis of accounting described above.

This report is intended solely for the information and use of the Owner and the Owner's management and for filing with MFA and should not be used for any other purpose.

We have no financial interest in the Project other than in the practice of our profession.

\_\_\_\_\_  
Name of Professional's Firm

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Professional

\_\_\_\_\_  
Title of Signatory

\_\_\_\_\_  
Printed Name of Signatory

This document has 7 pages. To print the whole application, you must select "entire workbook" under File, Print.

**FORM C1: CERTIFICATION OF COSTS INCURRED IN THE CONSTRUCTION,  
ACQUISITION, OR MAJOR REHABILITATION OF  
A BUILDING IN A LOW-INCOME HOUSING PROJECT**

**PROJECT OWNER**

**Part I: Project Information:**

---

Project Name: \_\_\_\_\_

Project No.: \_\_\_\_\_

Full Project Address: \_\_\_\_\_  
\_\_\_\_\_

Project Owner: \_\_\_\_\_

Project Owner's Full Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Total Number of Buildings in Project: \_\_\_\_\_

Check One: New Construction ☐

Major Rehabilitation ☐

Acquisition ☐

Acquisition & Major Rehabilitation ☐

Check One: Federal Subsidy Is Involved ☐

Federal Subsidy Is **Not** Involved ☐

As the Project Owner of the above-referenced low-income housing Project, I certify, under penalty of perjury, that the information contained above and on subsequent pages, which are incorporated by reference herein, is true and correct and that the costs shown above and on the attached pages are includable in "eligible basis" as that term is used in Internal Revenue Code Section 42.

Signature of Project Owner(s): \_\_\_\_\_

Printed Name of Signatory: \_\_\_\_\_

Title of Signatory: \_\_\_\_\_

If signatory is different from the owner, please supply evidence signatory is authorized to sign for the Project Owner.

Date signed: \_\_\_\_\_

## FORM C-1 - Project Owner:

Building Name:

							Total
--	--	--	--	--	--	--	-------

## Part II: Building Information:

Building Identification Number:	NM-	NM-	NM-	NM-	NM-	NM-	NM-	
Total Number of Units in Building:								-
Building Street Address:								
Employee Units:								
Total Number of Low-Income Units in Building:								-
Percentage of Low-Income Units in Building:	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Total Square Footage of <b>all</b> Units in Building:								-
Total Square Footage of <b>Low-Income</b> Units in Building:								-
Percentage of Low-Income <b>Square Footage</b> in Building:	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Acquisition Placed-In-Service Date (if applicable):								
New Construction or Rehabilitation Placed-In-Service Date:								
Begin Credit Period:      Begin Place-in-Service Month								
Begin Succeeding Taxable Year								

### Part III: Costs on the Building Which Are Includable in "Eligible Basis"

[illegible]

**FORM C-1 - Project Owner:**

Building Name:

							Total
--	--	--	--	--	--	--	-------

## Part II: Building Information:

Building Identification Number:	NM-	NM-	NM-	NM-	NM-	NM-	NM-	
Total Number of Units in Building:								-
Building Street Address:								
Employee Units:								
Total Number of Low-Income Units in Building:								-
Percentage of Low-Income Units in Building:	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Total Square Footage of <b>all</b> Units in Building:								-
Total Square Footage of <b>Low-Income</b> Units in Building:								-
Percentage of Low-Income <b>Square Footage</b> in Building:	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Acquisition Placed-In-Service Date (if applicable):								
New Construction or Rehabilitation Placed-In-Service Date:								
Begin Credit Period:      Begin Place-in-Service Month								
Begin Succeeding Taxable Year								

### Part III: Costs on the Building Which Are Includable in "Eligible Basis"

[illegible]

## FORM C-1 - Project Owner:

Building Name:

							Total
--	--	--	--	--	--	--	-------

## Part II: Building Information:

Building Identification Number:	NM-	NM-	NM-	NM-	NM-	NM-	NM-	
Total Number of Units in Building:								-
Building Street Address:								
Employee Units:								
Total Number of Low-Income Units in Building:								-
Percentage of Low-Income Units in Building:	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Total Square Footage of <b>all</b> Units in Building:								-
Total Square Footage of <b>Low-Income</b> Units in Building:								-
Percentage of Low-Income <b>Square Footage</b> in Building:	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Acquisition Placed-In-Service Date (if applicable):								
New Construction or Rehabilitation Placed-In-Service Date:								
Begin Credit Period:      Begin Place-in-Service Month								
Begin Succeeding Taxable Year								

### Part III: Costs on the Building Which Are Includable in "Eligible Basis"

[illegible]

## FORM C-1 - Project Owner:

Building Name:

							Total
--	--	--	--	--	--	--	-------

## Part II: Building Information:

Building Identification Number:	NM-	NM-	NM-	NM-	NM-	NM-	NM-	
Total Number of Units in Building:								-
Building Street Address:								
Employee Units:								
Total Number of Low-Income Units in Building:								-
Percentage of Low-Income Units in Building:	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Total Square Footage of <b>all</b> Units in Building:								-
Total Square Footage of <b>Low-Income</b> Units in Building:								-
Percentage of Low-Income <b>Square Footage</b> in Building:	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Acquisition Placed-In-Service Date (if applicable):								
New Construction or Rehabilitation Placed-In-Service Date:								
Begin Credit Period:      Begin Place-in-Service Month								
Begin Succeeding Taxable Year								

### Part III: Costs on the Building Which Are Includable in "Eligible Basis"

[illegible]



## FORM C-1 - Project Owner:

Total
-------

### All Buildings Total:

Total Number of Units	-
Building Street Address:	
Employee Units:	-
Total Number of Low-Income Units:	-
Percentage of Low-Income Units:	#DIV/0!
Total Square Footage of <b>all</b> Units:	-
Total Square Footage of <b>Low-Income</b> Units:	-
Percentage of Low-Income <b>Square Footage</b> :	#DIV/0!
Placed-In-Service Date:	
New Construction or Rehabilitation Placed-In-Service Date:	
Begin Credit Period:    Begin Place-in-Service Month	
Begin Succeeding Taxable Year	

### Part III: Costs Which Are Includable in "Eligible Basis"

1. Hard Construction Costs	
Site Work:	-
Construction of Units:	-
Common Area Construction:	-
Overhead:	-
Profit:	-
General Requirements:	-
Other (Specify: _____ )	-
Total Hard Construction Costs:	-
2. Soft Construction Costs:	
Architecture and Engineering and Legal:	-
Fees and Permits:	-
Construction Interest:	-
Other (Specify    Const Insurance & Environmental    ):	-
Total Soft Construction Costs:	-
3. Buildings Eligible Basis    (Add the Total Hard and Soft Construction Costs)	
Building Applicable Fraction	#DIV/0!
130% High Cost Area Adjustment? (if applicable enter %):	
Applicable Credit Percentage	
4. Buildings Eligible Basis - Acquisition Costs	
Building Applicable Fraction	#DIV/0!
Applicable Credit Percentage	
5. Approved Tax Credit Amount	#DIV/0!

### **Breakdown by Unit in Each Building**

Project Name: \_\_\_\_\_

Project Number: 0

Project Address: \_\_\_\_\_

[illegible]

<b>MFA Low Income Housing Tax Credit Program General Contractor Cost Certification</b>	<b>Form C2 Instructions</b>
<b><i>General Contractor Cost Certification Instructions</i></b>	

*The Cost Certification Package consists of 5 worksheets. To print entire package, you must select "Entire Workbook" under File, Print.*

These instructions are designed to assist owners/applicants and general contractors (GC) in preparing and submission of the General Contractor Cost Certification (GC Cost Cert) as part of the 8609 Package required of the owner/applicant in the Qualified Allocation Plan (QAP). This form is to be completed and executed by the general contractor, and submitted to MFA in electronic form (including worksheets 3-Cost Breakdown, 4-Attachment I, and 5-GC Certification) along with the owner's/applicant's required Cost Certification.

The owner/applicant shall submit the completed and executed Form C2 package with the 8609 package. It is the owner's/applicant's responsibility to provide this package to the GC in sufficient time for completion and submission with the 8609 Package. Instructions for completing the form follow. Please read the instructions before attempting to complete the form.

The GC Cost Cert process is required of all general contractors to establish the total actual costs incurred by the GC in the delivery of the project. This will assist MFA in determining certain development costs and the amount of subsidy to be allocated to the project.

The GC is entitled to include in the GC Cost Cert costs, all ordinary and necessary expenses directly related to the construction contract to deliver the project, inclusive of amounts paid or owing to all subcontractors, all labor and material required for the purpose of performing the contract, insurance premiums, and all types of ordinary and necessary costs related to the construction (light, power, telephone, water and other utilities furnished to the construction job, and all other ordinary expenditures of the contractor incidental to the performances of the contract). Labor can be aggregated in one total for each cost line item, but all subcontractors/vendors paid for said labor must be identified and included in the information provided. In such a case, insert a comment under the "Name of Subcontractor or Payee" column header indicating there are multiple payees for that cost line item. If a subcontractor is providing both labor and material for a specific line item and a separation of labor and material costs cannot be detailed, then the cost for that specific line item can be reported as a combined total. Each subcontractor, or payee, must be identified as either being related, or not being related, to the GC and the Developer or its Affiliates. 2-Descriptions is a trade item listing, clarifying the desired trade item captions and a general description of what should be included in each of those trade items.

All expenditures must be reduced by the amounts of any rebates, allowances, trade discounts, reimbursements, adjustments, cost saving, or other sums that the GC and/or the owner/applicant has received or is to receive.

MFA reserves the right to exclude any cost not in compliance with any restrictions outlined in the application, credit underwriting, and/or allocation process. MFA also reserves the right to exclude any cost deemed inappropriate as provided in Section 42 of the Internal Revenue Code.

<b>MFA Low Income Housing Tax Credit Program General Contractor Cost Certification</b>	<b>Form C2 Instructions</b>
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### **GC Cost Cert Instructions**

The GC must use the forms/Excel worksheets provided to complete the GC Cost Cert. Open the file in Microsoft Excel and immediately save the file under another name to preserve the formulas in the template.

Many cells are protected and those entries will automatically calculate depending on your other entries, and you will be unable to enter anything in these protected cells.

You will notice the fonts have different colors:

\* Items in black font represent template Items. You will unable to enter anything in these cells.

\* Items in green font represent items entered by you.

The GC shall provide at least the following with the GC Cost Cert:

1. Completed and executed GC Cost Cert package;
2. Copy of the executed construction contract and any change orders;
3. Listing of all subcontractors used on the project, with amounts paid or to be paid; and
4. Listing of all other costs and fees paid and/or incurred for the project by the GC.

Start at the top of the worksheet tab called 3-Cost Breakdown. Type in the Project Name, Project Location, Contractor Name, and Owner's Name in the space provided.

There are five separate cost sections to this report: Building(s), Sitework, Offsite Improvements, Contractor General Requirements, Overhead, and Profit, and Other Fees Paid By The GC. Within each of these sections, there are various Trade Item areas which must be completed, as applicable, with each cost line item divided into new construction, rehabilitation, and commercial categories.

For each Trade Item area there are seven rows defaulted to be available for detailed input. If you need more than those seven rows, contact MFA for assistance.

When entering cost line items for the Trade Item description of "Demolition and Abatement", you can only enter those costs either under "New Construction" or "Rehabilitation" because the column designated for "Commercial" is only supposed to represent the hard costs related to the delivery of that space.

All costs must be entered into one of the existing Trade Item areas. In order to appropriately detail the costs paid versus the costs owing to each subcontractor, report the costs that have been paid to a particular subcontractor on one line and then report the costs owing to that subcontractor on another line.

There is one pre-filled cost line items under "Other Fees Paid by the GC: and there are six empty spaces available for your own designation. Simply enter a description in the first column of that option. If additional rows are needed, contact MFA for assistance.

When entering the three detailed cost line items under "Contractor General Requirements, Overhead, and Profit", the total of these are limited by the application process and cannot exceed the limits described in Section IV.D.2.a. of the QAP.

If any comments or explanations are deemed necessary, they can be included in 4-Attachment I.

<b>MFA Low Income Housing Tax Credit Program General Contractor Cost Certification</b>	<b>Form C2 Instructions</b>
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Once the "3-Cost Breakdown" worksheet tab is completed and all necessary comments have been incorporated into the "4-Attachment I" worksheet tab, the General Contractor Certification form found on the "5-GC Certification" worksheet tab must be completed. All information in this worksheet can be completed in the form itself except for the original signature. Original signatures in blue ink must be provided by the General Contractor's authorized representative on the hard copy that is to be provided to MFA.

**Printing:**

The template is designed to print on letter-sized paper. In addition to an electronic version, please provide a hard copy of worksheets 3-Cost Breakdown, 4-Attachment I, and 5-GC Certification.

MFA Low Income Housing Tax Credit Program General Contractor Cost Certification		Form C2 Descriptions
General Contractor Certification - Trade Item Descriptions and Definitions		
Division	Category	Description
3	Concrete	Labor and material related to footer concrete, cast-in-place or precast concrete work within a structure, including foundations, piers, floors, walls, etc.; form work; reinforcement; cementations decks and toppings, gypcrete; related concrete testing; etc. Also include termite treatment performed on the site and foundations here.
3	Masonry	Labor and material related to concrete block within a structure, including elevator shaft, mortar; reinforcement; wall ties; masonry window will; grouting; cleaning; brick or stone work within a structure; mortar; grouting and cleaning; lintels, etc.
5	Metals	Labor and material related to the installation of any type of metals.
6	Carpentry	Labor and material related to wood framing; sheathing; sub-flooring; wood decking; wood trusses; glued-laminate construction; stairs; framing steel; house wrap. Includes labor and material related to interior and exterior trim and millwork; shelving; counter tops; prefinished paneling; exterior shutters; custom casework; ornamental items; wood window sills; handrails; interior doors, hardware, wire shelving; and any other item to finish the interior of the units not noted herein or under cabinets. Includes temporary hourly labor, final cleaning and punch list labor.
7	Moisture Protection (i.e. damp proofing and waterproofing)	Labor and material related to sheet or panel waterproofing; bituminous or cementitious damp proofing; building paper; foundation drain tile; sealants and caulking; and any other type of waterproofing or damp proofing.
7	Insulation	Labor and material related to the installation of perimeter, floor, wall and ceiling insulation; vapor barriers; fireproofing; and any other type of insulation.
7	Roofing	Labor and material related to the installation of roofing felt; shingles; roofing tile; membrane roofing; attic/roof ventilators; drip edge, flashing; and any other types of roofing.
8	Doors & Trim	Labor (unless included elsewhere) and material related to the installation of exterior doors; frames; garage doors; garage door openers; sliding doors; screen/storm doors; hardware; thresholds;
8	Windows & Glass	Labor (unless included elsewhere) and material related to the installation of any type of windows; screens; storm windows; glazing; weather-stripping; and associated hardware. Also labor and materials related to the installation of storefront glass; glass; glazing; special glazing; and any other type of glass.
9	Stucco (i.e. lath and plaster)	Labor and material related to the installation of stucco and other lath products.
9	Drywall	Labor and material related to gypsum board systems for walls and ceiling; taped and finished; resilient channels and clips; wall texture; and any other types of interior wall finishes prior to painting.

9	Tile Work (non-flooring)	Labor and material related to the installation of wall tiles.
9	Acoustical Ceilings	Labor and material related to the installation of ceiling tiles; ceiling tile grids; sound absorbing panels in walls or floors; grid bracing and wiring; etc.
9	Flooring (resilient, wood, carpet, tile)	Labor and material related to the installation of any type of flooring tile or hardwood, carpeting (including carpet tile and/or padding), floor underlayment; all types of resilient tile or sheet good flooring; cove base, adhesives; stair treads and risers; edging; etc.
9	Paints and Coatings	Labor and material related to the priming and painting of exterior and interior walls, ceilings, doors, windows, trim, lintels and other surfaces; caulking; decorations; etc.
10	Specialties	Labor (unless included elsewhere) and material related to the installation of toilet and shower compartments; bathroom accessories including, but not limited to, grab bars, towel bars, toilet paper holders, soap dishes, medicine cabinets, bathroom mirrors, etc.
11	Special Equipment	Labor and material related to the installation of washers, clothes dryers, laundry equipment; furnishings; equipment for offices; and any other type of equipment.
12	Cabinets and Countertops	Labor and material related to the installation of cabinets and countertops in the interior of the residential units, including hardware.
12	Appliances	Labor and material related to the installation of refrigerators, ranges/stoves, range hoods, disposals, dishwashers, trash compactors, and any other appliances.
12	Window Treatments (blinds and shades)	Labor and material related to the installation of window blinds; shades; draperies; drapery rods; attached artwork.
13	Special Construction/Fire Suppression	Labor and materials related to installation of sprinkler system; fire extinguishers and cabinets; fire stop canisters; knox box; fireplaces; safety and life safety inspections; green certification; and energy rating costs not covered elsewhere.
14	Elevators	Labor and material related to the installation of elevators.
15	Plumbing and Hot Water	Labor and material related to the installation of all water and gas piping and fittings within five feet of structures; pipe insulation; bathtubs; water closets; sinks; lavatories; laundry trays; water heaters; pumps; and any other items related to the plumbing herein.
15	Heating, Ventilation and Air Conditioning	Labor and material related to the installation of warm air heating systems, including boilers, furnaces and ducts; electric resistance heating systems; heat pump systems; kitchen, bath and laundry ventilation systems; duct insulation; individual room air conditioning units; stack-on air conditioning units; compressors and racks which hold compressors; and any other items related to the heating, ventilation and air conditioning therein.
16	Electrical	Labor and material related to the installation of service equipment; raceways; conductors; wiring devices; lighting; fire and smoke alarm systems; communications systems; telephone service; television systems, including signal reception devices; all finish electrical components; and any other item related therein.

2	Demolition and Asbestos Abatement	Labor and material related to demolition, asbestos abatement and any other environmental related tasks.
2	Earth Work	Site preparation (clearing and grubbing), top soil stripping and piling; rough site grading with cuts and fills; structure excavation and backfill; finish grading; footer trenching; soil testing; related field staking; site equipment rental fees.
2	Site Utilities	Labor and material and all pertinent costs related to installation of water, sewer, storm, electric, gas, telephone, cable, etc. Includes site staking/engineering for each, excavation of each, standby inspection fees for each, utility provider charges for each, removal of abandoned or relocated utility lines and any other cost related to the installation of site utilities.
2	Roads, Walks and Paving	Includes labor and material related to the installation of all concrete and asphalt, including all areas outside the building including, but not limited to, roads, streets, alleys, parking areas, sidewalks, stoops, porches and any other site hard surface. This includes the labor and material for the preparation work, the base, the actual hard surface and related field staking and concrete testing.
2	Site Improvements	Labor and material related to the installation of equipment for playground and other special areas; fences; handrails; permanent exterior signs; dumpsters; trash enclosures; mailboxes; flagpoles; gazebos; and non-framing canopies; swimming pools and all pool accessories, and any other site amenity.
2	Lawns and Planting	Labor and material related to final grading of top soil, the planting of trees; tree walls; flowers; flower beds; shrubs; grass and other ground covers; irrigation systems; edging; sprinkler systems; and any other work related to the exterior finish product.
2	Unusual Site Conditions	Labor and material related to any unusual site conditions. Contractor to provide description of such work.
	Contractor's Bond and Insurance	Amounts paid by the contractor for insurance during the construction period and for performance, payment and any other types of bonds.
<b>OTHER FEES PAID BY GENERAL CONTRACTOR</b>		
	Gross Receipts Tax (GRT)	Amounts paid for GRT tax during the construction period.
<b>CONSTRUCTION COSTS</b>		
1	General Requirements	Includes labor costs of direct project management personnel (i.e., project
1	Contractor Overhead	Amounts not audited. Amount limited based upon percentage indicated in QAP Section IV.D.2.a.
1	Contractor Profit	Amounts not audited. Amount limited based upon percentage indicated in QAP Section IV.D.2.a.



<b>MFA Low Income Housing Tax Credit Program</b> <b>General Contractor Cost Certification</b>	<b>Form C2</b> <b>Cost Breakdown</b>
<i>General Contractor Cost Certification Cost Breakdown</i>	

**Project Name:**

**Contractor Name:**

**Project Location:**

**Owner Name:**

All amounts shown below have been reduced to give effect to the amount(s) of any rebates, allowances, trade discounts, reimbursements, adjustments, or any other devices which, if included, would have the effect of overstating the actual costs.

In the far right column, for each subcontractor or payee, indicate whether they are related to the GC, developer, and/or its Affiliates.

***Please contact MFA if additional lines or more space is needed. Identify additional Trade Items under "Other Fees Paid by the GC" as needed. Consult definitions of trade items for assistance. Include any additional explanations on Attachment I.***

Division	Trade Item	New Construction	Rehabilitation	Commercial	Total	Paid or Owed?	Labor, Material, or Both?	Name of Subcontractor or Payee	Related to GC, etc? (Yes or No)
BUILDING(S):									
3	Concrete				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
4	Masonry				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
5	Metals				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				

Division	Trade Item	New Constr	Rehabilitation	Commercial	Total	Paid or Owed?	Labor, Material, or Both?	Name of Subcontractor or Payee	Related?
6	Carpentry				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
7	Moisture Protection (Dampproofing & Waterproofing)				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
7	Insulation				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
7	Roofing				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
8	Doors & Trim				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				

Division	Trade Item	New Constr	Rehabilitation	Commercial	Total	Paid or Owed?	Labor, Material, or Both?	Name of Subcontractor or Payee	Related?
8	Windows & Glass				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
9	Stucco (i.e. Lath & Plaster)				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
9	Drywall				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
9	Tile Work (Non-flooring)				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
9	Acoustical Ceilings				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				

Division	Trade Item	New Constr	Rehabilitation	Commercial	Total	Paid or Owed?	Labor, Material, or Both?	Name of Subcontractor or Payee	Related?
9	Flooring (Resilient, Wood, Tile, Carpet)				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
9	Paints & Coatings				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
10	Specialties				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
11	Special Equipment				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
12	Cabinets & Countertops				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				

Division	Trade Item	New Constr	Rehabilitation	Commercial	Total	Paid or Owed?	Labor, Material, or Both?	Name of Subcontractor or Payee	Related?
12	Appliances				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
12	Window Treatments (i.e. Blinds & Shades)				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
13	Special Construction & Fire Suppression				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
14	Elevators				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
15	Plumbing & Hot Water				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				

Division	Trade Item	New Constr	Rehabilitation	Commercial	Total	Paid or Owed?	Labor, Material, or Both?	Name of Subcontractor or Payee	Related?
15	Heating, Ventilation, & Air Conditioning				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
16	Electrical				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
	Contractor's Bond & Insurance				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
TOTAL BUILDING(S):		\$ -	\$ -	\$ -	\$ -				
SITEWORK									
2	Demolition & Abatement				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
2	Earthwork				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				

Division	Trade Item	New Constr	Rehabilitation	Commercial	Total	Paid or Owed?	Labor, Material, or Both?	Name of Subcontractor or Payee	Related?
2	Site Utilities				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
2	Roads, Walks, & Paving				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
2	Site Improvements				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
2	Lawns & Planting				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
2	Unusual Site Conditions				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
TOTAL SITEWORK:		\$ -	\$ -	\$ -	\$ -				

OFFSITE IMPROVEMENTS									
Division	Trade Item	New Constr	Rehabilitation	Commercial	Total	Paid or Owed?	Labor, Material, or Both?	Name of Subcontractor or Payee	Related?
2	Earthwork				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
2	Site Utilities				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
2	Roads, Walks, & Paving				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
2	Site Improvements				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
2	Lawns & Planting				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				



Division	Trade Item	New Constr	Rehabilitation	Commercial	Total	Paid or Owed?	Labor, Material, or Both?	Name of Subcontractor or Payee	Related?
2	Unusual Site Conditions				\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
					\$ -				
Subtotal:		\$ -	\$ -	\$ -	\$ -				
TOTAL OFFSITE IMPROVE:		\$ -	\$ -	\$ -	\$ -				
TOTAL CONSTRUCTION COSTS:		\$ -	\$ -	\$ -	\$ -				

CONTRACTOR GENERAL REQUIREMENTS, OVERHEAD, AND PROFIT (Limited by MFA as provided in the QAP)							
Contractor General Requirements				% of Total Construction Costs:		0.00%	
Contractor Overhead				% of Total Construction Costs:		0.00%	
Contractor Profit				% of Total Construction Costs:		0.00%	
TOTAL ACTUAL COST OF GC CONSTRUCTION CONTRACT BEFORE OTHER FEES:				\$	-		
OTHER FEES PAID BY THE GC (NOT PART OF GC FEE DETERMINATION)					Name of Subcontractor or Payee		Related?
Gross Receipts Tax				\$	-		
				\$	-		
				\$	-		
				\$	-		
				\$	-		
				\$	-		
				\$	-		
				\$	-		
TOTAL OTHER FEES:	\$	-	\$	-	\$	-	
TOTAL ACTUAL COSTS OF GENERAL CONTRACTOR'S CONSTRUCTION CONTRACT:					\$	-	



<b>MFA Low Income Housing Tax Credit Program</b> <b>General Contractor Cost Certification</b>	<b>Form C2</b> <b>GC Certification</b>
<i>General Contractor Certification</i>	

Project Name: \_\_\_\_\_

Project Address: \_\_\_\_\_

Project Owner: \_\_\_\_\_

Contractor Name: \_\_\_\_\_

\_\_\_\_\_

The undersigned (Contractor's Authorized Representative) submits the certification on behalf of the Contractor in connection with the Project owned by the Owner, all as identified above, and certifies to the following:

1. I am associated with the Contractor in the position of \_\_\_\_\_ and am authorized to make this certification on behalf of the Contractor.
2. The Contractor served as the general contractor under contract with the Owner in connection with the construction of the Project named above.
3. In my position with the Contractor, I am knowledgeable concerning the construction of the Project and the costs of such construction.
4. The amounts shown on 3- Cost Breakdown, 4-Attachment I, the construction contract, change orders, and any other documentation submitted as part of this GC Cost Cert are true, correct, and accurately reflect the actual costs of the trade items listed as of the date following:

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

day

month

year

**Contractor's Authorized Representative's Signature:**

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Company: \_\_\_\_\_

**FORM OF OWNER'S ATTORNEY'S OPINION**  
**[Must be Submitted with Final Allocation Package on Firm's Letterhead]**

Date: \_\_\_\_\_

Project Owner Name: \_\_\_\_\_

Type of Entity: \_\_\_\_\_

Project Name: \_\_\_\_\_ Project Owner's TIN: \_\_\_\_\_

We have acted as counsel to \_\_\_\_\_ (the "Project Owner") in connection with the Project Owner's request to the New Mexico Mortgage Finance Authority ("MFA") for an allocation of Housing Tax Credits with respect to the Project described in the Project Owner's Final Allocation Package.

We have examined the Project Owner's Final Allocation Package (the "Package"), including the Project Owner's Certification and the Land Use Restriction Agreement for Low-Income Housing Tax Credits between the Project Owner and MFA (the "Land Use Agreement"). We have also reviewed the opinion issued by the Project Owner's tax accountant relative to the costs of the Project, Section 42 of the Internal Revenue Code of 1986, as amended, and the regulations issued pursuant thereto (the "Code") and such other records of the Project Owner and binding authority as we believe to be applicable to the issuance of the opinions hereinafter expressed.

Based upon the foregoing reviews and upon due investigation of such matters as we deem necessary in order to render the opinions hereinafter expressed, but without expressing any opinion as to the reasonableness of the estimated or projected figures set forth in the Package, we are of the opinion that:

1. To the best of our knowledge, none of the information, representations or warranties provided to MFA by the Project Owner in the Package, which includes the Project Owner's Certification and the Land Use Agreement is untrue or incomplete in any material respect.
2. The building(s) which is (are) the subject of the Package have been "Placed in Service" within the meaning ascribed to such quoted term in Section 42 of the Code.
3. Each building which is the subject of the Package meets the ten (10) year "look-back" requirements of Section 42(d)(2)(B) of the Code. **[If building does not meet requirements but is eligible for exception, state and identify the basis for qualification.] [Delete if no acquisition credit is requested.]**
4. The Project Owner has good and marketable fee simple title to each of the buildings which is the subject of the Package.
5. The inclusion in "eligible basis" of each building of the cost items set forth in Form A, MFA Final Cost Certification complies with applicable requirements of the Code.
6. The Project is a qualified low-income housing project described in Section 42(h)(5)(B) of the Code. **[Delete if not applicable.]**
7. If all information and representations contained in the Package (including the Project Owner's Certification) and all current law remain unchanged, the Project Owner is entitled under the applicable provisions of the Code to an allocation of Tax Credits for each building which is the subject of the Package.

This opinion is rendered solely for the purpose of inducing MFA to allocate Tax Credits to the Project Owner. Accordingly, it may be relied upon only by MFA and not by any other party for any other purpose.

Name of Professional's Firm

Date

\_\_\_\_\_  
Signature of Professional

\_\_\_\_\_  
Title of Signatory

\_\_\_\_\_  
Printed Name of Signatory

## FORM 8609 CERTIFICATION

The undersigned is the \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_, the owner (the "Project Owner") of the building(s) located at \_\_\_\_\_ in \_\_\_\_\_, New Mexico (the "Building(s)") and, in connection with Project Owner's request for issuance of a U.S. Department of the Treasury, Internal Revenue Service Form 8609 by the New Mexico Mortgage Finance Authority ("MFA") with respect to said Building(s), certifies to MFA that:

1. This Certificate is provided to MFA in order to induce it to issue a Form 8609 in the amount(s) specified by the Project Owner with respect to the Building(s). Project Owner understands that MFA is relying upon information supplied by the Project Owner in issuing a Form 8609 and that MFA has made no independent investigation nor does MFA have knowledge of the basis for the statements made by Project Owner in its request.

2. Each of the Building(s) constitutes a "qualified low-income building" within the meaning of, and otherwise is in compliance with, Section 42 of the Internal Revenue Code of 1986 (the "Code") and Treasury regulations promulgated thereunder.

3. The Building(s) was (were) "Placed in Service" on \_\_\_\_\_, \_\_\_\_\_, as that term is defined in Section 42 of the Code and Treasury regulations thereunder.

4. The information supplied by the Project Owner in connection with its request is true and correct to the best of the undersigned's knowledge and belief as of the date of this Certificate.

5. The "eligible basis" of the Building(s) has been determined in accordance with Section 42(d) of the Code, and has been reduced by the amount, if any, equal to the portion of the adjusted basis of any Building which is attributable to residential rental units in the Building which are not low-income units and which are above the average quality standard of the low-income units in such Building. In determining the "qualified basis" of any Building, the "at risk" rules have been applied to the extent and in the manner required by Section 42(k) of the Code.

6. If any Building which is the subject of Project Owner's request is an existing building,

(a) except as stated below, the Building was acquired by purchase (as defined in Section 179(d)(2) of the Code).

***[If there are no exceptions, so state.]***

(b) except as stated below, there is a period of at least ten (10) years between the date of the acquisition of the Building by the Project Owner and the later of:

(1) the date the Building was last Placed in Service, or

(2) the date of the most recent "non-qualified substantial improvement" of the Building (as that term is defined by Section 42(d)(2)(D)(i) of the Code). ***[If there are no exceptions, so state.]***

(c) except as stated below, the Building was not previously placed in service by the Project Owner or any "related person" (as that term is defined by Section 42(d)(2)(D)(i) of the Code). ***[If there are no exceptions, so state.]***

(d) Except as stated below, the Project Owner will pay or incur rehabilitation expenditures with respect to the Building meeting the requirements of Section 42(e) of the Code. **If there are no exceptions, so state.**

7. There are no holders of recorded liens on the Project or, if there are such recorded lienholders, Project Owner has obtained their consents to the recording of the Land Use Restriction Agreement, copies of which are attached hereto.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

PROJECT OWNER: \_\_\_\_\_

a \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

## **"AS-BUILT" ARCHITECT CERTIFICATION**

I have inspected the Project known as \_\_\_\_\_ (project name) located in \_\_\_\_\_ (city), New Mexico and hereby certify that the Project has been built in accordance with the drawings and specifications dated \_\_\_\_\_ and prepared by \_\_\_\_\_.

Based upon this inspection, to the best of my knowledge and belief, the Project has been constructed in conformance with (1) all local, state and federal laws designated as the development standard for the Project including, but not limited to, the Fair Housing Laws as they pertain to handicapped accessibility and adaptability; (2) all local health, safety and building codes; (3) the requirements set forth in the New Mexico Mortgage Finance Authority's ("MFA") Low-Income Housing Tax Credit Program Qualified Allocation Plan and in MFA year 20\_\_\_\_ Mandatory Design Standards for Multifamily Rental Housing, including National Housing Trust Fund Rehabilitation Standards, if applicable; and (4) all commitments made in the initial Project application regarding design and building, unless otherwise approved in writing by MFA.

Based upon examination of the drawings and specifications, all items committed to in the initial Low-Income Housing Tax Credit application and overall design elements are incorporated.

\_\_\_\_\_  
Architect's Signature

( S E A L )

Date: \_\_\_\_\_

Based on the foregoing representations by the Architect, the Project Owner certifies that the Project has been constructed in accordance with the requirements set forth above.

\_\_\_\_\_  
Project Owner

\_\_\_\_\_  
Date

\_\_\_\_\_  
Project Owner

\_\_\_\_\_  
Date



**LENDER'S CONSENT AND AGREEMENT TO RECORDING OF AND  
SUBORDINATION TO LAND USE RESTRICTION AGREEMENT**

\_\_\_\_\_ (the "Lender") provides to the New Mexico Mortgage Finance Authority ("MFA") this consent to the recording of a Land Use Restriction Agreement with respect to the real property described in Exhibit A attached hereto (the "Land").

**RECITALS**

1. \_\_\_\_\_ is the owner ("Project Owner") of the multifamily rental housing Project located on the Land and has applied to MFA for an allocation of Housing Tax Credits ("Credits") with respect to the Project pursuant to Section 42 of the Internal Revenue Code of 1986, as amended (the "Code").
2. The Lender is the beneficiary of a deed of trust covering the Land.
3. Section 42(h)(6) provides that Credits are not allowed unless an "extended low-income housing commitment" is in effect with respect to the Project in the form of an agreement between MFA and the Project Owner (the "Land Use Restriction Agreement") which is recorded as a restrictive covenant against and running with the Land.
4. Although the Land Use Restriction Agreement terminates in the event of foreclosure, Section 42(h)(6)(e)(ii) of the Code requires that certain limitations as to termination of tenancies and rent increases survive such foreclosure for a period of three years.
5. To assure the survival of the limitations described in said Section 42(h)(6)(e)(ii), MFA requires, as a condition to its execution of the Land Use Restriction Agreement, that the holders of all security interests in the Land recorded prior to the recording of the Land Use Restriction Agreement consent to such recording and acknowledge and agree to the priority of the provisions of Section 42(h)(6)(e)(ii) of the Code.

**CONSENT AND AGREEMENT**

Lender hereby consents to the recording of the Land Use Restriction Agreement as a restrictive covenant encumbering and running with the Land, and acknowledges and agrees that those provisions of the Land Use Restriction Agreement which set forth the requirements of Section 42(h)(6)(e)(ii) of the Code are superior to Lender's security interest and shall continue in full force and effect for a period of three (3) years following the date of acquisition of the Project by foreclosure (or instrument in lieu of foreclosure).

IN WITNESS WHEREOF, Lender has caused this Consent and Agreement to be executed by its duly authorized officers this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

(S E A L)

\_\_\_\_\_  
(Lender)

By: \_\_\_\_\_

Its: \_\_\_\_\_

## ACKNOWLEDGMENT

State of \_\_\_\_\_

County of \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ by \_\_\_\_\_ as \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_ on behalf of said \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

My commission expires:

\_\_\_\_\_

EXHIBIT A

PROPERTY DESCRIPTION

**NEW MEXICO MORTGAGE FINANCE AUTHORITY  
PROJECT OWNERSHIP PROFILE**

**Project Name:** \_\_\_\_\_

**Project Number:** \_\_\_\_\_

PROJECT ADDRESS: \_\_\_\_\_

City: \_\_\_\_\_ State: New Mexico Zip: \_\_\_\_\_

On-Site Property Management Contact Person: \_\_\_\_\_ Phone: \_\_\_\_\_

Fax: \_\_\_\_\_ Email: \_\_\_\_\_

Status of Partnership Incorporation, Registration, etc: \_\_\_\_\_

PARTNERSHIP/OWNER NAME: \_\_\_\_\_

PARTNERSHIP TAX I.D. NUMBER: \_\_\_\_\_

PARTNERSHIP TAX YEAR: \_\_\_\_\_

**1) GENERAL PARTNER :**

\_\_\_\_\_ Phone: \_\_\_\_\_

Street: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone: \_\_\_\_\_

**CO-GENERAL PARTNER** (if applicable): \_\_\_\_\_ Phone: \_\_\_\_\_

Street: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone: \_\_\_\_\_

**2) LIMITED PARTNER:** \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone: \_\_\_\_\_

Address: \_\_\_\_\_ Email: \_\_\_\_\_

**3) MANAGEMENT COMPANY:** \_\_\_\_\_

Management Company Tax ID number: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone: \_\_\_\_\_

Address: \_\_\_\_\_ Email: \_\_\_\_\_

**PROJECT PERMANENT FUNDING SOURCES:** (Report all sources including grants; copy this page if needed)

LENDER: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Address and Email: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Loan Amount: \$ \_\_\_\_\_

LENDER: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Address and Email: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Loan Amount: \$ \_\_\_\_\_

LENDER: \_\_\_\_\_



## LOW INCOME HOUSING TAX CREDIT LAND USE RESTRICTION AGREEMENT

ALLOCATION OF TAX CREDITS TO THIS PROJECT IS BASED ON THE FOLLOWING:

- ☐ Tax Credits from Set-Aside for Projects involving Qualified Non-Profit Organizations
- ☐ Points Given for Participation by Qualified Non-Profit Organization
- ☐ Additional Owner Agreements [Section 6]
- ☐ Additional Low-Income Targeting [Section 5(b)]
- ☐ Extended term of Occupancy Restriction [Section 3(b)]

THIS LAND USE RESTRICTION AGREEMENT, dated as of \_\_\_\_ 20\_\_, is by and between **[Owner\_Name]**, a **[Owner\_Entity\_Type]**, and its successors and assigns (the "Project Owner"), and the New Mexico Mortgage Finance Authority, a body politic and corporate constituting a governmental instrumentality of the State of New Mexico ("MFA").

### WITNESSETH:

WHEREAS, the Project Owner is the owner of a **[txtProjectTotalUnits]** (**[Project\_Total\_Units]**) unit rental housing development located on lands in the City of **[Project\_City]**, County of **[Project\_County]**, State of New Mexico, more particularly described in Exhibit A hereto, known as **[Project\_Name]** (the "Project"); and

WHEREAS, MFA is the Housing Credit Agency for the State of New Mexico (the "State") for the allocation of Low Income Housing Tax Credits ("Tax Credits") under Section 42 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder (the "Code"); and

WHEREAS, the Project Owner has applied to MFA for an allocation of Tax Credits to the Project and has made certain representations to MFA in its Rental Project Application (as the same may have been amended or supplemented by the Project Owner's Carryover Allocation Application, if any, progress reports and the Project Owner's Final Allocation Application, collectively, the "Application") about the Project, including representations as to the number of Low-Income Units (hereinafter defined) and the term of occupancy restrictions, upon which representations MFA relied in considering the Application and making a reservation and allocation of Tax Credits; and

WHEREAS, the Code requires in connection with the allocation of Tax Credits that the Project Owner execute and deliver this land use restriction agreement (this "Agreement") and that this Agreement be recorded in the official land records of the county in which the Project is located in order to create covenants running with the land for the purpose of enforcing certain requirements of Section 42 of the Code and certain additional undertakings of the Project Owner in connection with its Application by regulating and restricting the use and occupancy of the Project as set forth herein including Project Owner's agreement to maintain the Project in

accordance with the Occupancy Restrictions and other requirements of this Agreement during the entire Extended Use Period; and

WHEREAS, based upon the Project Owner's representations, MFA is willing to allocate Tax Credits to the Project provided that the Project Owner, by entering into this Agreement, consents to be regulated by MFA in order that MFA may enforce the occupancy restrictions and other covenants, terms and conditions of this Agreement; and

WHEREAS, the Project Owner, under this Agreement, intends, declares and covenants that the regulatory and restrictive covenants set forth herein governing the use and occupancy of the Project shall be and are covenants running with the Project land for the term stated herein and shall be binding upon all subsequent owners of the Project for such term.

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, and of other valuable consideration, the Project Owner and MFA agree as follows:

1. Recording and Filing; Covenants to Run with the Land.

(a) This Agreement shall be placed of record in the real property records of the county in which the Project is located and, except as otherwise provided herein, the covenants contained herein shall run with the land and shall bind, and the benefits shall inure to, respectively, the Project Owner and its successors and assigns, and MFA and its successors and assigns, and all subsequent owners of the Project or any interest therein, for the period prescribed in Section 3 hereof.

(b) The Project Owner hereby agrees that any and all requirements of the laws of the State to be satisfied in order for the provisions of this Agreement to constitute restrictive covenants running with the land shall be deemed to be satisfied in full, and that any requirements of privity of estate are intended to be satisfied, or in the alternate, that an equitable servitude has been created to insure that these restrictions run with the land. During the term of this Agreement, each and every contract, deed or other instrument hereafter executed conveying the Project or portion thereof shall expressly provide that such conveyance is subject to this Agreement, provided, however, the covenants contained herein shall survive and be effective as to successors and/or assigns of all or any portion of the Project, regardless of whether such contract, deed or other instrument hereafter executed conveying the Project or portion thereof provides that such conveyance is subject to this Agreement.

2. Representations, Covenants and Warranties of the Project Owner. The Project Owner covenants, represents and warrants as follows:

(a) The Project Owner is duly organized under the laws of the State of [STATENAME], and is qualified to transact business under the laws of the State.

(b) The Project Owner has good and marketable title to the premises constituting the Project.

(c) Each building which is the subject of an allocation of Tax Credits is, or, by not later than the last day of the first year of the "credit period," as defined in Section 42(f) of the Code ("Credit Period"), will be, a "qualified low-income building" as defined in Section 42(c)(2) of the Code ("Qualified Low-Income Building"), and the Project constitutes or will constitute a "qualified low-income

housing project" as defined in Section 42(g) of the Code ("Qualified Low-Income Housing Project").

(d) The Project Owner will maintain each building which is the subject of an allocation of Tax Credits as a Qualified Low-Income Building and will maintain the Project as a Qualified Low-Income Housing Project during the compliance period as defined in Section 42(i)(1) of the Code ("Compliance Period") and during any extended use period as defined in Section 42(h)(6)(D) of the Code ("Extended Use Period") to the extent required in Section 3(b) of this Agreement.

(e) The Project Owner shall not discriminate on the basis of race, creed, color, sex, age, marital status, national origin, disability or familial status in the lease, use or occupancy of the Project or in connection with the employment or application for employment of persons for the operation and management of the Project, and shall neither refuse to lease a unit in the Project, **nor give preference** to the holder of a voucher or certificate of eligibility under Section 8 of the U.S. Housing Act of 1937 on account of the status of the prospective tenant as such holder.

(f) The Project Owner shall not demolish any part of the Project or substantially subtract from any real or personal property of the Project; or permit the use of any residential rental unit for any purpose other than rental housing.

(g) The Project Owner has not and will not execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof, and in any event, the requirements of this Agreement are paramount and controlling as to the rights and obligations herein set forth and supersede any other provisions in conflict herewith.

(h) If the Project Owner becomes aware of any situation, event or condition that would result in noncompliance of the Project or the Owner with Section 42 of the Code, the Project Owner shall promptly give written notice thereof to MFA.

(i) The Project Owner shall insure that the Low-Income Units (as hereinafter defined) shall be of comparable quality to other units, if any, in the Project.

(j) If the Project, or any part thereof, shall be damaged or destroyed or shall be condemned or acquired for public use, the Project Owner will use its best efforts to repair and restore the Project to substantially the same condition as existed prior to the event causing such damage or destruction, or to relieve the condemnation, and thereafter to operate the Project in accordance with the terms hereof.

(k) The Project Owner has obtained or will obtain the consent of any prior recorded lienholder(s) to the recording of this agreement and to the subordination of the lien(s) of such lienholder(s) to this Agreement.

(l) A "qualified nonprofit organization," as defined in Section 42(h)(5)(C) of the Code, shall own an interest in the Project and shall "materially participate," within the meaning of Section 469(h) of the Code, in the development and operation of the Project throughout the Compliance Period. **{Delete this section if no Non-Profit involvement}**

3. Term of Restrictions.



(a) Except as otherwise provided herein, this Agreement, including the occupancy restrictions set forth in Sections 5 and 6 hereof, shall be in effect for each building which is part of the Project during the Compliance Period, as defined in Internal Revenue Code Section 42(i)(1), which is a period of 15 taxable years beginning with the 1<sup>st</sup> taxable year of the credit period with respect thereto.

(b) In addition, the Project Owner shall comply with the occupancy requirements set forth in Sections 5 and 6 hereof at all times during the Extended Use Period, ending on the date which is **[txtAdditionalYears]** **([Additional\_Years])** years after the close of the Compliance Period.

(c) This Agreement and the Extended Use Period for any building which is part of the Project shall terminate:

(i) on the date the Project or the building is acquired by foreclosure or deed in lieu of foreclosure unless the Secretary (hereinafter defined) determines that such acquisition is part of an arrangement with the Project Owner a purpose of which is such termination; or

(ii) on the date after the last day of the Extended Use Period. Project Owner waives the right to submit a written request to MFA to find a person to acquire the Project Owner's interest in the low-income portion of the buildings and to terminate this Agreement if MFA is unable to present a "qualified contract" in accordance with Section 42(h)(6)(E)(i)(II) of the Code.

(d) If this Agreement is terminated pursuant to the acquisition of the Project or the building by foreclosure or deed in lieu of foreclosure, during the period of three (3) years following such termination, the Project Owner shall not evict or terminate the tenancy of an existing tenant of any Low-Income Unit (hereinafter defined) other than for good cause and shall not increase the gross rent above the maximum allowed under the Code with respect to such Low-Income Unit.

(e) During the Extended Use Period the Project Owner shall not evict or terminate the tenancy of an existing tenant of any Low-Income Unit (hereinafter defined) other than for good cause and shall not increase the gross rent above the maximum allowed under the Code with respect to such Low-Income Unit.

4. Qualified Low-Income Housing Project.

(a) The Project Owner shall maintain the Project as a Qualified Low-Income Housing Project at all times, commencing not later than the last day of the first year of the Credit Period and continuing throughout the term of this Agreement. To this end, and without limitation, the Project Owner shall assure that all of the residential units in the Project are available for use by the general public, suitable for occupancy and used on other than a transient basis.

(b) As further represented in Project Owner's Application, all **[txtProjectTotalUnits]** **([Project\_Total\_Units])** of the Low- Income Units shall be occupied by Qualifying Tenants whose income is **([GIPer1]%)** or less of area median gross income. As part of its Application, Project Owner represented to and assured MFA that the Project has or is expected to have the benefit of a contract for **[txtProjectTotalUnits]** **([Project\_Total\_Units])** project-based vouchers under

Section 8 of the United States Housing Act of 1937, as amended (the "Section 8 Contract") for a term of not less than 20 years. If during the initial 15-year term of this Land Use Restriction Agreement, the Section 8 Contract is, through no fault of Project Owner whatsoever, not renewed at the end of its term, is terminated, or is otherwise no longer in full force and effect such that the Project is no longer financially feasible, Project Owner may make a request to MFA to reduce the number of Low-Income Units required to be occupied by Qualifying Tenants whose income is **[[GIPer1]]%** or less of the area median gross income then in place (the "**[[GIPer1]]%** Units"), but only up to **[[GIPer1]]%** of area median gross income and only to the extent that such a reduction of the number of **[[GIPer1]]%** Units would make the Project financially feasible. Upon receipt of Project Owner's request to reduce the number of **[[GIPer1]]%** Units, MFA may, but is no way obligated to, review the request for compliance with all applicable laws, regulations, Loan Documents, and the Qualified Allocation Plan for compliance therewith. Upon receipt of such request, MFA may, but again is in no way obligated to, also review the Project for financial feasibility. MFA retains sole discretion to determine whether the Project Owner's request to reduce the number of **[[GIPer1]]%** Units complies with all applicable laws, regulations, Loan Documents, the Qualified Allocation Plan, and other applicable documents and instruments. Likewise, MFA retains sole discretion to determine what constitutes financial feasibility. MFA may, in its discretion, require Project Owner to submit additional information to support its request, including a reasoned legal opinion stating that the Project would be in compliance with and satisfy all applicable laws and regulations, including Section 42 of the Internal Revenue Code, as amended, if the request to reduce the number of **[[GIPer1]]%** Units were to be granted. By requiring additional information to support such a request, MFA does not waive its sole and unfettered discretion to consider, approve, or deny the request. Any decision by MFA on such a request shall be final. **{Delete this section if no existing Section 8 contract }**

5. Occupancy Restrictions.

Minimum Federal Set-Aside Election:

(a) For the purpose of Section 42(g)(1) of the Code, the Project Owner elects that at least **[txtMinSetAside1] percent ([MinSetAside1]%)** of the residential rental units in the Project shall be both rent-restricted (as hereinafter defined) and occupied by individuals or households whose income is **[txtMinSetAside2] percent ([MinSetAside2]%)** or less of area median gross income.

Total Set-Aside:

(b) Notwithstanding the election described in subsection (a) above, the Project Owner covenants and agrees that, commencing not later than the last day of the first year of the Credit Period and continuing throughout the term of this Agreement, at least **[txtGIUnits1] ([GIUnits1])** of the residential rental units shall be both rent-restricted and occupied by individuals or households whose income is **[txtGIPer1] percent ([GIPer1]%)** or less of area median gross income, at least **[txtGIUnits2] ([GIUnits2])** of the residential rental units shall be both rent-restricted and occupied by individuals or households whose income is **[txtGIPer2] percent ([GIPer2]%)** or less of area median gross income and at least an additional **[txtGIUnits3] ([GIUnits3])** of the residential rental units shall be both rent-restricted and occupied by individuals or households whose income is **[txtGIPer3] percent ([GIPer3]%)** or less of area median gross income. All of the

foregoing residential rental units are collectively referred to herein as the "Low-Income Units", and, with respect to all of such Low-Income Units, "median gross income" shall be determined in accordance with the Code. The Project Owner further agrees that additional units in the Project shall be both rent-restricted and occupied by low-income individuals or households whose incomes meet the requirements of this subsection (b) to the extent necessary to maintain the "applicable fraction," as defined in Section 42(c)(1)(B) of the Code, at not less than percentage(s) shown on Exhibit B hereto for each taxable year of the Extended Use Period. A unit is "rent-restricted" if the gross rent with respect to such unit does not exceed thirty percent (30%) of the imputed income limitation applicable to such unit, all as determined in accordance with Section 42(g) of the Code.

(c) The determination of whether an individual or household is a Qualifying Tenant (that is, meets the income requirements of subsection (b) of this Section 5) shall be made at least annually on the basis of the income of such Qualifying Tenant(s). Any unit occupied by an individual or household who is a Qualifying Tenant at the commencement of occupancy shall continue to be treated as a Low-Income Unit during such occupancy notwithstanding an increase in the income of such individual or household above the income limitation applicable under subsection (b) of this Section 5 provided that, if such Qualifying Tenant's income subsequently exceeds one hundred forty percent (140%) of the applicable income limit, such unit shall no longer be a Low-Income Unit if after the determination of such increase, but prior to the next determination, any residential unit of comparable or smaller size is rented to a tenant who is not a Qualifying Tenant.

(d) As a condition to occupancy, each individual or household who is intended to be a Qualifying Tenant shall be required to sign and deliver to the Project Owner a fully completed Tenant Income Certification in the form provided from time to time by MFA, and the income and assets of such individual or household must be verified in the manner prescribed by MFA.

(e) The form of lease to be utilized by the Project Owner in renting any unit in the Project to any person who is intended to be a Qualifying Tenant shall provide for termination of the lease and consent by such person to immediate eviction for failure to qualify as a Qualifying Tenant as a result of any material misrepresentation made by such person with respect to the Income Certification or the failure by such tenant to execute a Tenant Income Certification annually.

6. Additional Project Owner Agreements. The Project Owner further covenants and agrees that beginning not later than the last day of the first year of the Credit Period, as defined in Section 42(f) of the Code and continuing through the Compliance Period and Extended Use Period:

(a) At least **[txtNoOfTargetUnits] ([nbrunits])** of the residential rental units in the Project shall be constructed, equipped, set aside and made available for occupancy on a priority basis to **[Seniors or Households with Children]** at all times during the term of this Agreement, and the Project Owner shall provide evidence to MFA of any license, permit or other governmental approval required for such occupancy. Project Owner shall maintain and implement a plan reasonably satisfactory to MFA to provide social services to the residents of the units set aside for **[Seniors or Households with Children]**, more particularly described in Exhibit C. Any termination in service contracts will require notification

to the MFA. No more than a 30-day gap in service provision will be allowed or the Project will be considered out of compliance until a new contract is executed.

(b) At least **[txtNoOfTargetUnits] ([nbrunits])** of the residential rental units in the Project shall be constructed, equipped, set aside and made available for occupancy on a priority basis to **Special Needs Households** as described in Exhibit D.

(c) Project Owner shall provide and maintain the program(s) committed to in their LIHTC Application and as described in Exhibit E. Any termination in service contracts will require notification to the MFA. No more than a 30-day gap in service provision will be allowed or the Project will be considered out of compliance until a new contract is executed.

(d) Project Owner shall provide and maintain the New Mexico Smoke-Free at Home program committed to in their LIHTC Application and as described in Exhibit F and shall maintain appropriate space for the provision of smoking cessation classes. Failure to use the New Mexico Smoke-Free at Home Lease Addendum, to maintain and adhere to the Project's Violation Policy, or to maintain appropriate space for the provision of smoking cessation classes will cause the Project to be considered out of compliance until the compliance issues are remedied.

(e) Consistent with 26 U.S.C § 42 (g)(9), fair housing and civil rights law, Project Owner's LIHTC Application and the MFA Qualified Allocation Plan in effect as of the date of this Agreement, the Project Owner shall develop and make public written resident selection policies and procedures that include a preference for persons who are active duty or retired US military Veterans. The written resident selection policy/plan shall be submitted to MFA at least one hundred twenty (120) days prior to lease up and the plan shall be maintained throughout the Compliance Period and Extended Use Period. Any changes to the policy/plan must be submitted to MFA within sixty (60) days of the effective date of the change.

(e) Of the residential units which are to be subject to the restrictions of Section 5 hereof, at least **[txtNbrbedrooms1] ([Nbrbedrooms1])** shall be **[bedsize1]-bedroom units** and at least **[txtNbrBedrooms2] ([Nbrbedrooms2])** shall be **[bedsize2]-bedroom units**.

7. Compliance Monitoring; Fees.

(a) The Project Owner acknowledges that Section 42 of the Code requires MFA to monitor the compliance by the Project Owner and the Project with the requirements of said Section 42, and agrees to strictly comply, at all times, with MFA Tax Credit Monitoring and Compliance Plan, as amended from time to time, (the "Compliance Plan"), the terms and provisions of which are by this reference incorporated in this Agreement and made a part hereof. In the event of any conflict between the provisions of this Agreement and the provisions of the Compliance Plan, this Agreement shall control.

(b) In addition to its specific agreements and undertakings in this Agreement, the Project Owner shall take or cause to be taken all other and further actions required of the Project Owner by MFA in order to satisfy such monitoring requirement, which actions shall be designated in writing by MFA to the Project

Owner not less than sixty (60) days (or such other period as may be required by law) prior to the date by which such actions must first be taken.

(c) The Project Owner agrees to pay to MFA such fees in such amounts and at such times as MFA shall, in its sole discretion, reasonably require the Project Owner to pay in order to reimburse MFA for the costs of such monitoring.

SAMPLE

8. Project Owner Certifications and Reports.

- (a) Within ninety (90) days of the end of the first year of the Credit Period, the Project Owner shall provide to MFA a copy of the First Year Certification Part II of IRS Form 8609, as filed or prepared for filing with the Internal Revenue Service and executed by or on behalf of the Project Owner.
- (b) The Project Owner shall annually provide to the Secretary of the United States Department of the Treasury (the "Secretary"), or to his or her designee, at such time and in such manner as the Secretary shall prescribe, a certification as to the continuing compliance of the Project with requirements of Section 42 of the Code. A copy of such annual certification shall be provided to MFA.
- (c) The Project Owner shall provide to MFA, annually, on January 31st, or the next business day, a Certification of Continuing Program Compliance and an Occupancy Report, each in the form provided, from time to time, by MFA, together with a copy, for each building, of the most recently filed Schedule A, Annual Statement, IRS Form 8609.
- (d) The Project Owner shall certify to MFA annually, that current utility allowances are used in the calculation of rents for the Project.
- (e) The Project Owner must annually submit to MFA, within 120 days of fiscal year end, through MFA's *Compliance On-Line* system, annual audited property financial statements to MFA, as well as annual operating budgets.
- (f) On a monthly basis, the Project Owner must provide tenant income certifications and property vacancy data using the *WCMS On-Line System*.
- (g) The Project Owner shall maintain in its records and provide to MFA copies of any and all notices and correspondence from or with the Internal Revenue Service concerning the Project or the Project Owner.
- (h) In addition to the information provided for in Section 7 and in this Section 8, the Project Owner shall provide any other information, documents or certifications requested, from time to time, by MFA with respect to the Project's physical, operational and financial condition and residents which MFA reasonably deems necessary to substantiate the Project Owner's continuing compliance with the provisions of this Agreement and Section 42 of the Code.

9. Transfer Restrictions.

- (a) The Project Owner shall not sell, assign, convey, transfer or otherwise dispose of the Project or any building in the Project without the prior written consent of MFA. Such consent shall be given provided that: (i) the Project Owner is in compliance with the requirements of this Agreement and of Section 42(j)(6) of the Code; (ii) the proposed transferee of the Project evidences, to the reasonable satisfaction of MFA, by its performance with respect to other Tax Credits or government-assisted housing projects and otherwise, its willingness and ability to comply with the terms of this Agreement; and (iii) MFA shall be paid a transfer fee, as determined, from time to time, by MFA but not to exceed \$2,000. In no event shall the Project Owner dispose of any portion of any building in the Project to any

person unless all of such building is disposed of to such person. For the purposes of this subsection, transfer of any of the ownership interests in Project Owner or Project Owner's partner(s) or member(s), as applicable, before the end of the Compliance Period shall be deemed a transfer of the Project.

(b) The Project Owner shall include, verbatim or by incorporation by reference, all requirements and restrictions contained in this Agreement in any deed or other documents transferring any interest in the Project or in any building in the Project to any other person or entity to the end that such transferee has notice of and is bound by such restrictions, and shall obtain the express written assumption of this Agreement by any such transferee.

10. Physical Maintenance/Management/Books/Records/Inspections.

(a) The Project Owner shall maintain each building in the Project such that all units are suitable for occupancy, taking into account applicable health, safety and building codes, and otherwise in a manner reasonably satisfactory to MFA.

(b) The Project Owner shall provide for the management of the Project in a manner reasonably determined by MFA to assure compliance with this Agreement. Any management contract entered into by the Project Owner involving the Project shall provide that it shall be subject to termination, without penalty and with or without cause, upon written request by MFA addressed to the Project Owner. Upon such request the Project Owner shall immediately terminate the contract within a period of not more than thirty (30) days and shall make arrangements reasonably satisfactory to MFA for continuing proper management of the Project.

(c) The books, contracts, records, computerized data, documents and other papers relating to compliance of the Project Owner and the Project with Section 42 of the Code and with this Agreement and to the eligibility of the Project Owner to claim Tax Credits with respect to the Project shall at all times be maintained at the Project, or at the Project Owner's principal place of business in the State of New Mexico, in reasonable condition for proper audit and shall be subject to examination and inspection and copying at any reasonable time by MFA or its authorized agents. MFA shall also have the right to enter and inspect the Project at any reasonable time.

(d) Project Owners shall keep records for each Qualified Low-Income Building in the Project showing the following:

(i) the total number of residential rental units in the building (including the number of bedrooms and the size in square feet of each unit);

(ii) the percentage of residential rental units in the building that are Low-Income Units;

(iii) the rent charged on each residential rental unit in the building (including any utility allowance);

(iv) the number of occupants in each Low-Income Unit;

(v) the Low-Income Unit vacancies in the building and information that shows when, and to whom, the next available units were rented;

- (vi) the annual income certification of each Qualifying Tenant;
- (vii) documentation to support each Qualifying Tenant's income certification;
- (viii) the eligible basis and qualified basis of the building at the end of the first year of the credit period; and
- (ix) the character and use of the nonresidential portion of the building included in the building's eligible basis under Section 42(d) of the Code (e.g., tenant facilities that are available on a comparable basis to all tenants and for which no separate fee is charged for use of the facilities, or facilities reasonably required by the Project).

Project Owners shall keep all records for each building for a minimum of six years after the due date (with extensions) for filing the Project Owner's federal income tax return for any year; provided, that the records for the first year of the credit period must be retained for at least six years beyond the due date (with extensions) for filing the federal income tax return for the last year of the compliance period of the building.

11. Enforcement.

(a) The Project Owner covenants that it will not knowingly take or permit any action that would result in a violation of the requirements of Section 42 of the Code or of this Agreement. Moreover, the Project Owner covenants to take any lawful action (including amendment of this Agreement) as may be necessary, in the opinion of MFA, to comply fully with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated by the United States Department of the Treasury or the Internal Revenue Service from time to time pertaining to the Project Owner's obligations under Section 42 of the Code and affecting the Project.

(b) The Project Owner shall promptly advise MFA as to the date each building in the Project is a Qualified Low-Income Building.

(c) In the event of any failure of the Project Owner to comply with the provisions of Section 42 of the Code or of this Agreement, MFA shall inform the Project Owner by written notice of such failure and provide the Project Owner a period of time in which to correct such failure. If any such failure is not corrected to the satisfaction of MFA within the period of time specified by MFA, which shall be at least thirty (30) days after the date any notice to the Project Owner is mailed, or within such further time as MFA determines is necessary to correct the violation, but not to exceed any limitations set by applicable regulations, without further notice MFA may declare a default under this Agreement effective on the date of such declaration of default, and MFA may (i) apply to any court, state or federal, for specific performance of this Agreement or an injunction against any violation of this Agreement; (ii) secure the appointment of a receiver to operate the Project in compliance with this Agreement; or (iii) exercise any other remedies at law or in equity or any such other action as shall be necessary or desirable to correct non-compliance with this Agreement. MFA shall be entitled to recover all costs, including reasonable attorney fees, incurred in the enforcement of this Agreement.



(d) The Project Owner and MFA each acknowledges that the primary purpose of requiring compliance by the Project Owner with the restrictions provided in this Agreement is to assure compliance of the Project and the Project Owner with Section 42 of the Code and the Treasury Regulations thereunder, **AND BY REASON THEREOF, THE PROJECT OWNER IN CONSIDERATION OF RECEIVING AN ALLOCATION OF LOW-INCOME HOUSING TAX CREDITS FOR THE PROJECT HEREBY AGREES AND CONSENTS THAT MFA, ANY QUALIFYING TENANT AND ANY INDIVIDUAL WHO MEETS THE INCOME LIMITATION APPLICABLE TO THE BUILDING UNDER THE CODE (WHETHER PRESENT, PROSPECTIVE OR FORMER OCCUPANTS OF THE BUILDING) (ANY OR ALL OF THEM) SHALL BE ENTITLED, FOR ANY BREACH OF THE PROVISIONS HEREOF, AND IN ADDITION TO OTHER REMEDIES PROVIDED BY LAW OR IN EQUITY, TO ENFORCE SPECIFIC PERFORMANCE BY THE PROJECT OWNER OF ITS OBLIGATIONS UNDER THIS AGREEMENT IN ANY COURT, STATE OR FEDERAL, OF COMPETENT JURISDICTION,** the Project Owner hereby further specifically acknowledges that the beneficiaries of the Project Owner's obligations hereunder cannot be adequately compensated by monetary damages in the event of any default hereunder.

(e) In the event of the Project Owner's or Project's failure to comply fully with the Code, the covenants and agreements contained herein or with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated by the United States Department of the Treasury or the Internal Revenue Service or MFA from time to time pertaining to the obligations of the Project Owner as set forth therein or herein, MFA, in addition to all of the remedies provided by law or in equity, shall notify the Internal Revenue Service of such noncompliance.

12. Issuance of Form 8609. MFA shall prepare and file with the Internal Revenue Service ("IRS") IRS Form 8609 with respect to each building in the Project, evidencing MFA's allocation of Tax Credits with respect to the Project. MFA shall issue Form 8609(s) to the Project Owner when the following conditions have been met:

(a) Each building in the Project for which a Form 8609 is issued is a Qualified Low-Income Building.

(b) The Project Owner and the Project are in compliance with the terms of this Agreement, including particularly, but without limitation, Sections 4 and 5 hereof.

(c) The Project Owner shall have provided, on the form(s) attached hereto as Exhibit G, a certification of improvements excluded from the Project's "eligible basis" as defined in Section 42(d) of the Code and MFA shall have made its final determination of the Tax Credit amount and its final determination pursuant to Section 42(m)(2) of the Code.

(d) The Project Owner shall have provided a copy of the executed partnership or operating agreement.

(e) The Project Owner shall have provided evidence satisfactory to MFA of the consent of any prior recorded lienholder to the recording of this agreement and to the subordination of the liens of such lienholder to this Agreement.

(f) The Project Owner shall have paid the first year's compliance monitoring fee.

13. Return of Unused Credit. Pursuant to Section 42(h)(3)(C) of the Code and Treasury Regulation §1.42-14(d) thereunder, the Tax Credits dollar amount allocated to the Project Owner with respect to the Project shall be canceled and returned to MFA, in whole or in part, if (i) any building in the Project is not a Qualified Low-Income Building within the time period required by Section 42 of the Code, or (ii) the "Qualified Basis" of any building in the Project is less than the qualified basis on which the Tax Credit amount was allocated by MFA.
14. Release and Indemnification. The Project Owner acknowledges that, in issuing Internal Revenue Service Form 8609 with respect to the Project, MFA is relying or will rely upon information and representations given by or on behalf of the Project Owner and has made or will make no independent investigation and does not and will not have independent knowledge of the basis for such information and representations. Accordingly, to induce MFA to issue the Form 8609, the Project Owner agrees as follows:
  - (a) The Project Owner agrees to release and forever discharge MFA, its members, employees, agents, officers, successors and assigns of and from any and all claims, demands, causes of actions, judgments and executions which the Project Owner has or may hereafter have against MFA, whether in law or in equity, arising or resulting from, or on account of or pertaining to, whether directly or indirectly, the issuance of a Form 8609 with respect to the Project by MFA.
  - (b) The Project Owner hereby agrees to indemnify, save harmless and defend MFA, and its members officers, agents, employees, successors and assigns from any obligation, claim, loss, demand, cost, expense (including the costs of the investigation and settlement of any claim, and including reasonable attorney's fees) or judgment against MFA arising or resulting from, or on account of or pertaining to, whether directly or indirectly, MFA's issuance of a Form 8609 with respect to the Project. If any such claim is asserted, any indemnified party hereunder will give prompt notice to the Project Owner and will cooperate in the investigation and defense of any such claim. The Project Owner will assume the defense of any such asserted claim by engaging counsel approved by the indemnified party (which approval shall not be unreasonably withheld), it being understood that the indemnified party shall have the right to employ its own separate counsel and participate in such proceedings at its own cost and expense.
  - (c) If the indemnification provided in subsection (b) is, for any reason, either unavailable to MFA or any of the other persons intended to be indemnified thereby or insufficient to hold it or any of them harmless, then the Project Owner hereby agrees to contribute to all amounts paid or payable by MFA and such other persons as a result of any such obligation, claim, loss, demand, cost, expense, or judgment. The amount to be contributed by the Project Owner shall be the amount that is appropriate to reflect both the relative benefits received by the Project Owner, on the one hand, and by MFA and such other persons, on the other hand, and the relative degrees of fault of the Project Owner, on the one hand, and of MFA and such other persons, on the other hand.

15. Limitations for HUD/FHA Insured Loans. Notwithstanding anything in this document to the contrary, except the requirements in 26 U.S.C. 42(h)(6)(e)(ii), the provisions hereof are expressly subordinate to the HUD insured mortgage or Deed of Trust, to the HUD Regulatory Agreement, and subordinate to all applicable HUD mortgage insurance (and Section 8, if applicable) regulations and related administrative requirements. In the event of any conflict between the provisions of this document and the provision of any applicable HUD regulations, related HUD administrative requirements, or HUD/FHA loan documents, the HUD regulations, related administrative requirements or loan documents shall control.

In the event of foreclosure or transfer of title by deed in lieu of foreclosure, any and all land use covenants contained herein shall automatically terminate.

Failure to comply with the land-use covenants contained herein will not serve as a basis for default on the HUD insured mortgage.

Enforcement of the covenants herein will not result in any claim against the Project, any reserve or deposit required by HUD in connection with the mortgage transaction, or the rents or other income from the property other than:

- (a) Available surplus cash, if the mortgagor is profit-motivated;
- (b) Available distributions and residual receipts authorized for release by HUD, if the mortgagor is limited distribution; or
- (c) Available residual receipts authorized by HUD, if the mortgagor is non-profit.

Any subsequent amendment to this document is subject to prior HUD approval.

No action shall be taken in accordance with the rights granted herein to preserve the tax exemption of the interest on the notes or bonds (and/or Tax Credits), or prohibiting the Project Owner from taking any action that might jeopardize the tax-exemption (and/or Tax Credit), except in strict accord with the National Housing Act, applicable mortgage insurance regulations, the HUD/FHA loan documents, or if applicable, Section 8 of the U.S. Housing Act of 1937 and the regulations thereunder.

Notwithstanding anything in this instrument to the contrary, the provisions hereof are subordinate to all applicable HUD mortgage insurance regulations and related administrative requirements. In the event of any conflict between the provisions of this document and the provisions of any applicable HUD regulations, related HUD administrative requirements, or HUD/FHA loan documents, the HUD regulations, related administrative requirements or loan documents shall control.

16. Miscellaneous.

(a) The invalidity of any clause, part or provision of this Agreement shall not affect the validity of the remaining portions thereof.

(b) All notices to be given pursuant to this Agreement shall be in writing and shall be deemed given when mailed by certified or registered mail, return receipt

requested, to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing.

To MFA: New Mexico Mortgage Finance Authority  
344 4th Street SW  
Albuquerque, New Mexico 87102  
Attention: Housing Tax Credit Program

To the Owner: **[Owner\_Name]**  
**[OwnerAddress]**  
**[OwnerCSZ]**  
**Attention: [OwnerContact]**

MFA and the Project Owner may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

(c) This Agreement shall be governed by the laws of the State of New Mexico and, where applicable, the laws of the United States of America.

IN WITNESS WHEREOF, the parties have caused this agreement to be signed by their respective duly authorized representatives, as of the day and year first written above.

**[Owner\_Name]**

[SEAL]

By: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF \_\_\_\_\_, CITY OF \_\_\_\_\_ )  
\_\_\_\_\_, COUNTY OF \_\_\_\_\_ ) ss.  
\_\_\_\_\_ )

This instrument acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,  
by \_\_\_\_\_ as  
\_\_\_\_\_ of  
\_\_\_\_\_.

My Commission expires: \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

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**NEW MEXICO MORTGAGE FINANCE AUTHORITY**

[SEAL]

By: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

STATE OF NEW MEXICO, CITY OF \_\_\_\_\_ )  
\_\_\_\_\_) ss.  
ALBUQUERQUE, COUNTY OF BERNALILLO )

This instrument acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by  
\_\_\_\_\_ as \_\_\_\_\_ of New Mexico Mortgage Finance Authority.

My Commission expires: \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

**EXHIBIT A**

**LEGAL DESCRIPTION**

(See attached Warranty Deed)

SAMPLE

**EXHIBIT B**

**Minimum Applicable Fraction by Building**

Building Identification Number:

Minimum Applicable Fraction

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SAMPLE

## EXHIBIT C

### Set Aside Commitment for Households with Children

Social Service Plan Component	Requirement	Detail
Set-aside requirement met and design elements and social service plan meet all requirements		
Experienced service coordinator on site		
Bi-monthly health and nutrition education (as described in 2018 QAP)		
Semi-annual CPR training		
Quarterly blood pressure or other health screening		
Quarterly computer training		
Weekly tutoring during school year		
Quarterly job training, search assistance, and/or placement		
Gardening (as described in 2018 QAP)		
Food Resources Program (as described in 2018 QAP)		
Youth Character Building (as described in 2018 QAP)		
Beyond Financial Literacy (as described in 2018 QAP)		



## EXHIBIT D

### Set Aside Commitment for Seniors

Social Service Plan Component	Requirement	Detail
Set-aside requirement and design elements and social service plan meet all requirements		
Experienced service coordinator on site		
Providing one prepared meal on a daily basis and available to all residents		
Bi-monthly health and nutrition education (as described in 2018 QAP)		
Quarterly blood pressure or other health screening		
Quarterly computer training		
Social events (as described in 2018 QAP)		
Beyond Financial Literacy (as described in 2018 QAP)		
Gardening (as described in 2018 QAP)		
Estate Planning and End of Life Planning (as described in 2018 QAP)		

## EXHIBIT E

### Set Aside Commitment for Households with Special Housing Needs

At least **[txtNoOfTargetUnits]** (**[nbrunits]**) of the residential rental units in the Project shall be constructed, equipped, set-aside and made available for occupancy on a priority basis to Households with Special Housing Needs. Set-aside units shall not be rented to other households unless the unit has been marketed for 30 days and no qualified Households with Special Housing Needs have been found.

<b>Social Service Plan Component</b>	<b>Requirement</b>	<b>Detail</b>
Set-aside requirement and design elements and social service plan meet all requirements as described in 2018 QAP & Service Coordination Certification ("Certification")		In accordance with the Service Coordination Certification for Households with Special Housing Needs. ATTACH COPY OF THE CERTIFICATION.
Experienced service coordinator on site		
Service/Program #1: (describe)	(Circle One Below) Monthly or Quarterly	
Service/Program #1: (describe)	(Circle One Below) Monthly or Quarterly	
Meet w/resident w/in 60 days of move-in & semi-annually thereafter, follow-up as needed		
Conduct Annual Survey		
Marketing Plan (as described in Certification)		
Subject to Reporting Requirements (as described in Certification)		
Food Pantry (as described in Certification)		
Free Transportation Services (as described in Certification)		
Health Promotion, Disease Prevention, Wellness Class, etc. (as described in Certification)		
Case Management services (as described in Certification)		
MOU w/Qualified Service Provider (as described in Certification)		

SAMPLE

## EXHIBIT F

[Project\_Name] will be a non-smoking property and participate in the Smoke Free @ Home New Mexico program and obtain one of the following Certifications:

<input type="checkbox"/>	Smoke Free at Home NM Platinum Certification	for new construction projects which do not allow smoking at any time on any part of the project property
<input type="checkbox"/>	Smoke Free at Home NM Gold Certification	for new construction, rehabilitation and/or adaptive reuse projects on which no smoking is permitted at any time on any part of the project property
<input type="checkbox"/>	Smoke Free at Home NM Silver Certification	for new construction, rehabilitation and/or adaptive reuse projects which do not allow smoking inside any of the units and common areas, nor within 25 feet of all entry ways and windows of the project buildings

Further, prior to the date the project is placed in service, the Project Owner will: 1) provide space to the Smoke Free @ Home team for twice yearly smoking cessation seminars for tenants of the Project, and 2) incorporate a smoke-free addendum into all tenant leases.

**EXHIBIT G**

**CERTIFICATION OF ELIGIBLE BASIS**

By executing this Agreement, Project Owner certifies that the costs of the following improvements are excluded from eligible basis, as it is defined in Section 42(d) of the Code.

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SAMPLE

**SAMPLE EQUITY CERTIFICATION LETTER**  
[PRINTED ON COMPANY LETTERHEAD]

New Mexico Mortgage Finance Authority  
Jeanne Redondo  
344 Fourth Street SW  
Albuquerque, NM 87102

[DATE]

Re: **Project Name** – Certification of Equity

Dear Ms. Redondo:

Pursuant to New Mexico MFA requirements, as the investor in the above referenced project, **Investor Name**, herein submits the following Certification of Equity:

1. Total Gross Funds Raised - \$**X,XXX,XXX**, subject to adjustments provided in agreement
2. Costs Associated with the Syndication - \$**X,XXX**.
3. Total Equity payment to the Partnership - \$ **X,XXX,XXX**, subject to adjustments provided in agreement
4. Pay in Schedule:
  1. Initial Contribution - \$ **XXX,XXX**
  2. Construction Loan Closing Contribution - \$ **XXX,XXX**
  3. Subsequent Construction Contribution - \$ **XXX,XXX**
  4. Substantial Completion Contribution - \$ **XXX,XXX**
  5. Perm Loan Contribution - \$ **XXX,XXX**
5. Tax Credits expected - \$ **XXX,XXX**
6. Price Paid per Dollar of Credit - \$ **XXX,XXX**

Please call me at **XXX-XXX-XXXX** if you require any additional information.

Regards,

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**Authorized Signator**  
**Title**  
**Investor Name**