



ADDENDUM

I

APPLICATION

FOR

LOW INCOME HOUSING

TAX CREDIT

ADDENDUM I

HOUSING TAX CREDIT

APPLICATION FILING REQUIREMENTS

<u>FUNDING ROUND</u>	<u>APPLICATION DUE DATE</u>	<u>CHECK ONE (IF APPLICABLE)</u>
Rolling Allocations*	November 2, 2009 – February 26, 2010	<input type="checkbox"/>
Initial Funding Round	March 1, 2010	<input type="checkbox"/>

Applications will be considered under the following categories:

<p>CHECK ONLY ONE OF THESE:</p> <p>Applications selecting more than one category below will not be accepted by the Authority, and no evaluation/review will be performed. (see QAP for details)</p>	<p>Check all Set-Asides that the project qualifies for (see QAP for details):</p>
<p>General Pool: (50% of 2010 Credit)</p> <p><input type="checkbox"/> General Pool</p>	<p><input type="checkbox"/> Elderly</p> <p><input type="checkbox"/> Non-Profit</p> <p><input type="checkbox"/> Distressed</p> <p><input type="checkbox"/> Rural (See Tab GG)</p>
<p>Supportive Housing: (25% of 2010 Credit)</p> <p><input type="checkbox"/> Chronically Homeless</p> <p><input type="checkbox"/> All other population groups that meet the Addendum III Definition</p>	<p>Check all Target Percentage categories that the project qualifies for:</p>
<p>*Rolling Allocations: (25% of 2010 Credit)</p> <p><input type="checkbox"/> Rolling Allocations</p>	<p><input type="checkbox"/> Underserved Populations</p> <p style="padding-left: 20px;"><input type="checkbox"/> Native American Housing</p> <p style="padding-left: 20px;"><input type="checkbox"/> Affordable Assisted Living</p> <p><input type="checkbox"/> Cool Cities or Next Detroit Neighborhoods</p> <p><input type="checkbox"/> Poverty Distressed Cities</p> <p><input type="checkbox"/> Detroit, Hamtramck, Highland Park (DHHP)</p> <p><input type="checkbox"/> Preservation</p>
<p>**Tax Exempt Bonds:</p> <p><input type="checkbox"/> Tax Exempt Bonds (MSHDA Direct Lending Programs)</p> <p><input type="checkbox"/> Modified Pass-Through Program</p>	

*May only be applied for starting November 2, 2009 until February 26, 2010

**Not subject to funding rounds, and may be applied for at any time.

APPLICATION FILING REQUIREMENTS

Continued

The Authority will consider applications in each category separately. All applications must be accompanied by a check or money order in an amount equal to \$40 for each proposed low-income unit, with a \$2,000 maximum. This fee is non-refundable and must be paid in each funding round in which a project seeks to be scored and evaluated. A fee of \$100 will be assessed each time a check is returned to the Authority for insufficient funds.

The Primary Application, Housing Tax Credit Addendum I and all exhibits **MUST** be submitted in a three-ring binder. **All exhibits must be tabbed in accordance with the exhibit checklist included in this addendum, indexed, and placed at the end of the addendum – *not within the body of the addendum.***

Primary Applications and Housing Tax Credit Addenda submitted on computer-generated forms MUST exactly replicate the pages in the application and/or addenda including correct page numbers.

Applications may be sent via delivery service (e.g., post, overnight, courier), or dropped off in person, but must be received in the Authority's Lansing or Detroit office no later than 5:00pm on the application due date. **Applications received after the due date or time will be returned to the applicant.**

Failure to submit a complete application, addendum and required documentation in accordance with instructions will result in a determination that the proposed project is ineligible for credit, and the application will not be ranked or scored. **Faxed or e-mailed applications will not be accepted.**

In the event of any conflict or discrepancy between the application filing requirements as stated in the Combined Application, the Exhibit Checklist, or Addendum I with the application filing requirements as stated in the Qualified Allocation Plan, the requirements of the QAP shall control.

Housing Tax Credit Program Statement

The Housing Tax Credit program is an investment vehicle created by the federal Tax Reform Act of 1986, which is intended to increase and preserve affordable rental housing by replacing earlier tax incentives (such as accelerated depreciation) with a credit directly applicable against taxable income. This program permits investors in affordable rental housing corporations, banking institutions, and individuals to claim a credit against their tax liability annually for a period of 10 years.

The maximum tax credit a project may receive is based on a percentage of the portion of rental housing (whether the housing is newly constructed or rehabilitated) that the owner agrees to maintain as both rent and income restricted for a period of at least 30 years. At a minimum, either 20% of the units must be for residents whose incomes do not exceed 50% of area median income or 40% of the units must be for residents whose incomes do not exceed 60% of the area median income (as determined and adjusted annually by HUD). The rents on the units must also be restricted. A credit equal to 9% of the qualified basis of construction or rehabilitation costs is available to developments not utilizing federal or tax-exempt financing. A credit roughly equal to 4% of the qualified basis is applicable where federal or tax-exempt financing is utilized and, in certain cases, for acquisition costs associated with rehabilitation.

Michigan's annual credit authority is approximately \$21 million. The process used by MSHDA to evaluate applications and allocate credit is described in the Qualified Allocation Plan, which is located in Tab B of the Combined Application. Briefly, a Primary Application and the Housing Tax Credit Addendum, including detailed financial information and various supporting documentation, must be submitted to MSHDA for review and evaluation. The process involves four stages - reservation, commitment, carryover and placed in service. The final determination of how much credit will actually be awarded is made once the work has been completed.

Please use the checklist applicable to the program for which you are applying:

- Addendum I - LIHTC Program
- Addendum III - Supportive Housing
- Addendum IV - Multi-Family Housing Direct Lending
- Addendum V - Modified Pass Through Program
- Addendum VI - Permanent Supportive Housing

The following items **MUST** be submitted if applicable to the project and/or for points to be given to the project. To indicate each exhibit submitted, place a check mark in the box provided and return a copy of this checklist with your application. Each submitted exhibit must be tabbed with the appropriate corresponding number from the checklist. **APPLICANTS APPLYING FOR MORE THAN ONE TYPE OF FINANCING MUST INCLUDE ALL APPLICABLE CHECKLISTS' EXHIBITS. DUPLICATION OF EXHIBITS IS NOT NECESSARY.**

EXHIBIT CHECKLIST		
Addendum I / Addendum III / Addendum V:		
√	#	LIHTC / Supportive Housing / Modified Pass-through Program
1		A narrative description of the project which includes the type of project; location; type of financing; tenants served, bedroom mix; local, federal or state subsidies; and other relevant information. Also include a map of the project site and surrounding area. See Threshold Requirement #14 in QAP
2		Land Control - Documentation, signed by all applicable parties, in the form of warranty deed, exclusive option to purchase, land contract, etc., which evidences ability to maintain site control for 120 days from the application due date, with extensions available. See Threshold Requirement #3 in QAP
3		Zoning – Original documentation from the appropriate local official on official letterhead, identifying the address of the project, the property's current zoning designation and an explanation of whether or not the project is permitted under the zoning ordinance. For rehabilitation projects a letter from the municipality stating that the zoning is compatible with the proposed use of the buildings is required. If the project is not currently properly zoned, what, if any, steps are in process to obtain proper zoning for the proposed development. The documentation must include a timetable for rezoning. See Threshold Requirement #4 in QAP
4		Site Utility Availability – Original documentation from the municipality and/or local utility companies on their letterhead regarding utility availability and adequacy to serve the site, including whether such is currently available or will be available. See Threshold Requirement #6 in QAP
5		Market Data - See Tab C for specific guidelines. See Threshold Requirement #8 in QAP
6		Environmental Assessment - Level 1 Environmental Assessment or, if necessary, a Level II with a remediation plan. Dated within six months of application due date. See Tab D for specific requirements. If project requires a NEPA review because it will use MSHDA HOME Funds ,MSHDA Project-Based Vouchers, etc., Applicants must also submit the documentation included in the NEPA Review Checklist found in Tab D. See Threshold Requirement #5 in QAP.
7		Lease/Purchase: See LIHTC Policy Bulletin in Tab W. Also see Scoring Summary – Selection Criteria – Section C, #5

EXHIBIT CHECKLIST

Addendum I / Addendum III / Addendum V:

√	#	LIHTC / Supportive Housing / Modified Pass-through Program
	8	<p>Title Insurance Commitment - dated within 6 months of the application due date, which sets forth all encumbrances on the property, together with copies of such encumbrances. For projects that contain multiple sites, Applicants must submit the Property Identification form found in Addendum I to accompany the title insurance documentation. For projects located on federally recognized American Indian Reservations, an attorney's opinion letter regarding the chain of title and land control may be accepted in lieu of the title insurance commitment. Make sure that the owner of record and the party to be insured along with the legal description(s) of the property identified in the commitment properly match up with the land control documents and that the title insurance agent signs the commitment. See Threshold Requirement #12 in QAP</p>

FOR EXHIBITS 9A THROUGH 9G, DUPLICATION OF INFORMATION IS NOT NECESSARY. ALL SOURCES OF FUNDING THAT WILL BE USED IN THE PROJECT MUST BE INCLUDED IN THE PRIMARY APPLICATION

	9a	<p>Construction Financing - Evidence of application to construction lender showing that application is under serious consideration. FOR BONUS POINTS, FIRM COMMITMENT MUST BE DATED WITHIN 30 DAYS OF APPLICATION DUE DATE. <i>See Threshold Requirement #7 in QAP</i></p>
	9b	<p>Permanent Financing - Evidence of submission of application to mortgage lender:</p> <ul style="list-style-type: none"> • RHS project - An original letter signed by an official of RHS for Tax Credits. • Conventional financing - documentation from the lender(s) stating that a formal application for permanent financing has been submitted and is under serious consideration. • MSHDA financed project - evidence that the project has passed initial determination. <p>All documentation must include mortgage amount, interest rate, term of loan, and the terms of any loan guarantee (if applicable). FOR BONUS POINTS, FIRM COMMITMENT MUST BE DATED WITHIN 30 DAYS OF APPLICATION DUE DATE. <i>See Threshold Requirement #7 in QAP</i></p>
	9c	<p>Confirmation of Secondary Financing - if applicable. Proposals which rely on some form of secondary financing to achieve feasibility must be accompanied by a detailed explanation and a confirmation from the source of that secondary financing that the additional funds have been applied for and are (or are expected to be) available. FOR BONUS POINTS, FIRM COMMITMENT MUST BE DATED WITHIN 30 DAYS OF APPLICATION DUE DATE. <i>See Threshold Requirement #7 in QAP. Also see Scoring Summary – Selection Criteria – Section B #3</i></p>
	9d	<p>Federal, State or Local Government Financing -</p> <ul style="list-style-type: none"> • Original letter from local municipality stating that application has been submitted and amount of request, terms and interest rate. • If the proposed project is going to use Federal Historic or Brownfield Credit, documentation indicating that the appropriate entity has received Part I of the required application for the proposed project must be submitted. If the proposed project is using State Historic Credit, application must be made with Michigan's State Historic Preservation Office. • If applying for tax credit points for using federal, state, or local financing, the letter must state the amount of the financing, the terms, the interest rate, the terms of any loan guarantee (if applicable), and that the financing has been approved. Points will be awarded only for long-term, permanent financing. To obtain points for CIP or AHP financing, a commitment letter from the FHLB must be submitted. <p>FOR BONUS POINTS, FIRM COMMITMENT MUST BE DATED WITHIN 30 DAYS OF APPLICATION DUE DATE. <i>See Threshold Requirement #7 in QAP. Also see Scoring Summary – Selection Criteria – Section B #3</i></p>
	9e	<p>Grants/Other Subsidies – Original letter from proposed grantor stating that application has been submitted and amount of request. If applying for points, the letter must state the amount of the grant/subsidy and that it has been approved. FOR BONUS POINTS, FIRM COMMITMENT MUST BE DATED WITHIN 30 DAYS OF APPLICATION DUE DATE.</p>

EXHIBIT CHECKLIST

Addendum I / Addendum III / Addendum V:

√	#	LIHTC / Supportive Housing / Modified Pass-through Program
	9f	<p>Existing Project Financing (for acquisition/rehab projects only, including Preservation) –</p> <ul style="list-style-type: none"> • Copy of existing mortgage(s), if assumption. • For acquisition/rehabilitation projects of existing low income units financed by HUD, RHS, or MSHDA, signed written evidence from the appropriate agency that the transfer of physical assets has been submitted to the financing agency <u>must</u> accompany the tax credit application. <p>See Threshold Requirement #15 in QAP</p>
	9g	<p>Syndication – A non-binding letter of interest for LIHTC from an equity investor stating the amount of credit including the price per dollar of credit and the general terms and conditions of investment in the event the equity investor will commit to the project. If applying for points for having a hard equity commitment, Applicants must submit a binding commitment identifying the syndicator and investor, documentation showing the equity price to be paid, and a nonrefundable fee equal to 6% of the annual LIHTC dollar amount requested for the project.</p> <p>See Threshold Requirement #17 in QAP</p>
	10	<p>Green Communities/New Urbanism Checklist– Evidence of the incorporation of Green Community/New Urbanism elements in the project as set forth in the Green Community/New Urbanism. Completion of the checklist and certification is required to obtain bonus points. See Tab M for Requirements and Checklist. See Threshold Requirement #18 in QAP</p>
	11a	<p>Owner Experience - MUST COMPLETE OWNER/GENERAL PARTNER EXPERIENCE FORM PROVIDED IN THE PRIMARY APPLICATION. Do not send Previous Participation Certification, FmHA 1944-37, or HUD 2530. If applying for Michigan-based business points (Scoring Summary, Section D(1)), a certified copy (dated within 30 days) of the Articles of Organization and a Current Certificate of Good Standing from DELEG's Bureau of Commercial Services (dated within 30 days) must also be submitted.</p>
	11b	<p>Management Entity Experience - MUST COMPLETE MANAGEMENT EXPERIENCE FORM PROVIDED IN THE PRIMARY APPLICATION. Previous Participation Certification, FmHA 1944-37, or HUD 2530 will not be considered for management experience points. If applying for Michigan-based business points (Scoring Summary, Section D(2)), a certified copy (dated within 30 days) of the Articles of Organization and a Current Certificate of Good Standing from DELEG's Bureau of Commercial Services (dated within 30 days) must also be submitted.</p>
	12	<p>Affirmative Fair Housing Marketing Plan - See Tab P for AFHMP guidelines. See Threshold Requirement #2 in QAP</p>

EXHIBIT CHECKLIST

Addendum I / Addendum III / Addendum V:

√	#	LIHTC / Supportive Housing / Modified Pass-through Program
	13	<p>Nonprofit Documentation - A through J are ALL required if applying under the tax-credit nonprofit set-aside and/or for nonprofit points.</p> <p>a) Documentation of Federal 501(c)(3) or (4) status from the IRS</p> <p>b) A certified copy of the Articles of Incorporation dated within 30 days of application due date</p> <p>c) Copy of by-laws</p> <p>d) List of the board of directors which includes the address and tenure of each board member</p> <p>e) An executed agreement between the sponsor and the non-profit if the project is a joint venture.</p> <p>f) Description of the nonprofits previous experience in housing. Must complete Nonprofit Experience form provided in the Primary Application.</p> <p>g) Current Certificate of Good Standing from DELEG's Bureau of Commercial Services dated within 30 days of application due date</p> <p>h) Map outlining service area of nonprofit. Map must clearly indicate the specific location(s) and name(s) of affiliated or proposed developments</p> <p>i) Narrative describing the nonprofit's involvement in the local community</p> <p>j) Proof of CHDO approval (if applicable)</p> <p>k) Documentation indicating that the nonprofit has the financial capacity to undertake the development of the project – Financials completed in accordance with applicable Policy Bulletin must be submitted for the nonprofit entity.</p> <p>NOTE: Must be more than 50% nonprofit, general partnership ownership (If applying for points) See Threshold Requirement #13 in QAP AND Scoring Summary – Selection Criteria – Section D #5</p>
	14	<p>Ownership Entity Formation - Certified copy (dated within 30 days of application due date) of the certificate of limited partnership and any amendments on file with the Department of Energy, Labor & Economic Growth, Bureau of Commercial Services. Out-of-state entities must submit a copy of an endorsed application for certificate of authority to transact business or conduct affairs in Michigan, along with the supporting documentation submitted with the application. The ownership entity must be formed prior to issuance of a tax credit reservation.</p>
	15	<p>Tax Abatement - Proof of tax abatement. Certified Copy. See Scoring Summary - Selection Criteria - Section B, Project Financing, for specific filing requirements.</p>
	16	<p>Site Plan Approval - A letter signed by the appropriate official of the municipality on its letterhead which identifies the project's name and address and states that final site plan approval has been granted; or, if site plan approval has been granted with contingencies, a Statement in the letter stating that the contingencies do not have to be approved by the municipal planning body, but may be approved at a staff level. Failure to provide a letter which clearly addresses final site plan approval and how contingencies are handled may result in the loss of points for this category. (For rehabilitation projects, a letter from the municipality indicating that the relevant board or commission of the municipality has reviewed the proposal, including the level of rehabilitation work to be completed, the site, and that no further plan approvals are necessary.)</p>
	17	<p>Proof of Local Taxation Rate (if no tax abatement) - For acquisition/ rehabilitation, including Preservation, a tax bill will meet requirement.</p>
	18a	<p>Locality / Neighborhood - Letter on official letterhead and signed by an official of the local municipality which verifies that the property is in a Cool Cities Neighborhood or a Renaissance Zone.</p>
	18b	<p>LIHTC Location Points Report (MANDATORY) – Print and include the point report generated using the LIHTC Point Score System. The link can be found on the Combined Application for Rental Housing Programs page of MSHDA's Web Site or by going to: http://www.mshda.info/mfca_pnts/. Click on the Search menu to start the process and follow all directions.</p>

EXHIBIT CHECKLIST

Addendum I / Addendum III / Addendum V:

√	#	LIHTC / Supportive Housing / Modified Pass-through Program
	19	Special Needs – If applying under the Permanent Supportive Housing Set-Aside, submit the Addendum III application package and its required threshold and scoring documents.
	20	<p>Community Revitalization Plan (if applicable) – Original documentation from the appropriate local official, on official letterhead, identifying the address of the property, stating that the property is located in an area for which a community revitalization plan is in place, and demonstrating that the proposed housing project contributes to the plan. In addition, the following items may need to be submitted if applying for the additional points outlined in Section A(3) of the Scoring Summary:</p> <p style="margin-left: 20px;">a. For projects meeting the definition of New Economy/Downtown – Color photos of the property demonstrating that the development is pedestrian friendly, and a map showing that the project is located in a traditional downtown or commercial center of densely built buildings. The map must clearly indicate the location of the proposed project.</p>
	21	Trade Payment Breakdown – For all projects.
	22	U.S. Department of Treasury Waiver (if applicable for tax-credit acquisition only) – <i>See Addendum I Page I-15, #19</i>
	23	Projects Serving the Elderly - Must submit a drawing of building in which community space is located to receive points. The total square footage of the community space must be indicated in the drawing. The drawing must be small enough to fit in a binder, but can be a fold-out. To receive the points, it must also clearly indicate the location and size of the community room. <i>See Scoring Summary - Selection Criteria - Section C #1</i>

EXHIBIT CHECKLIST

Addendum I / Addendum III / Addendum V:

√	#	LIHTC / Supportive Housing / Modified Pass-through Program
24		<p>Preservation Projects – In addition to applicable exhibits 1 - 32, the following must be submitted:</p> <ul style="list-style-type: none"> a. A copy of the project's latest financial audit. b. If applying for points, Applicants must provide a CNA prepared by an architect or engineer licensed by the State of Michigan. In the event the extent of rehabilitation requires the preparation of architectural plans and specifications, a copy of the cover sheet of such plans signed by the Applicant's architect, a trade payment breakdown prepared by the General Contractor, the architect's scope of work and specifications, along with a certification from the Applicant's architect stating the necessity to prepare plans and specifications instead of a CNA will be permitted. For further information regarding CNA requirements, see Tab Z of MSHDA's Combined Application. c. An income and expense analysis that must include a provision for Replacement Reserve funding that is acceptable to the lender and equity partner, and is not less than the amount stipulated for the Low Income Housing Tax Credit Program. (See Tab O) d. Documentation demonstrating a less than 10% increase in gross rent over previous levels following rehabilitation. (If applicable for points) e. Documentation demonstrating the preservation of existing project-based subsidies. This documentation should include the length of time that the subsidies will be in place for, and the number of units receiving project-based tenant subsidies. f. A completed version of the Unrestricted Capital Worksheet (found in Addendum I) that can be supported by the project's latest financial audit. (If applicable for points) g. Documentation, including a written description by the Sponsor, indicating that the property is a high risk or distressed property, as defined in the Definitions Policy Statement; or a letter from the appropriate agency (HUD, RHS, MSHDA) indicating that the property is a high risk or distressed property. (If applicable for points) h. Documentation from a local unit of government demonstrating a commitment of funds of at least \$5,000 per unit. (If applicable for points) i. Letter from the applicable Public Housing Commission, which at a minimum includes the following: Indication that the Applicant has been designated as the developer for the project site, confirmation that the proposed project is the replacement or redevelopment of public housing units, the number of units that will be designated as public housing units, the amount and type of funds that will be made available for the redevelopment of the property, and what, if any, operating subsidy will be made available to the project. (If applicable for points)
25		<p>High-Speed Internet – A certification signed by the applicant and the project architect that all units in the proposed development will be equipped with high-speed internet capability. (See Tab HH) See Threshold Requirement #16 in QAP</p>
26		<p>Verification of use of Michigan Products – To demonstrate the use of products and goods that are manufactured by Michigan-based corporations and that are to be incorporated into the construction or rehabilitation of the proposed development, an Architects Certificate must be submitted. (See Tab HH for certification language requirements)</p>

EXHIBIT CHECKLIST

Addendum I / Addendum III / Addendum V:

√	#	LIHTC / Supportive Housing / Modified Pass-through Program
	27	<p>Cool Cities – In addition to applicable exhibits 1 - 32, the following must be submitted:</p> <ol style="list-style-type: none"> 1. Provide a map outlining the entire Cool Cities neighborhood showing where the development is located within the Cool Cities neighborhood boundaries. Applicants can request a .pdf file of one of the 48 Cool Cities Neighborhoods in Progress boundary maps by contacting Karen Gagnon, Program Manager, Cool Cities, Urban Revitalization Division, MSHDA, gagnonk@michigan.gov. 2. Support from the local unit of government: <ol style="list-style-type: none"> a. Provide an original executed letter of support from the local government on official letterhead that shows support for the project. The letter must be from the highest elected official in the local government. 3. Provide an original letter on official letterhead, executed by a representative of the Cool Cities neighborhood (Catalyst grantee/award designee) entity, verifying that the development has been discussed with him/her. Applicants can request a list of one of the 48 Cool Cities Neighborhoods in Progress Award Designee contacts by contacting Karen Gagnon, Program Manager, Cool Cities, Urban Revitalization Division, MSHDA, gagnonk@michigan.gov. The correspondence should include the following: <ol style="list-style-type: none"> a. Acknowledgement that the project has been discussed. b. Whether or not the Award Designee supports the project. c. How the development blends with the goals of the neighborhood plan. d. How the development will improve or enhance successful revitalization in the neighborhood. e. The various sources of financing that have been committed within the boundaries of the Cool Cities designation, i.e., federal, state, or local monies, grants, philanthropic donations, conventional financing.
	28	<p>Financial Capacity and Creditworthiness (MANDATORY) – Financial Statements of applicants and contractors <u>must</u> be submitted for all projects. See LIHTC Policy in Tab W. See Threshold Requirement #11 in QAP</p>
	29	<p>Native American Housing – See applicable Policy Bulletin</p>
	30	<p>Affordable Assisted Living – See applicable Policy Bulletin</p>
	31	<p>A Description of the proposed credit enhancement and a statement as to the amount of tax-exempt bonds (and taxable bonds when appropriate) that is necessary. SUBMIT WITH MODIFIED PASS-THROUGH FINANCING ONLY</p>
	32	<p>An agreement to pay all costs of issuing the bonds and to compensate the professional team for the issue, including the underwriter, trustee, and bond counsel, at no cost to the Authority. SUBMIT WITH MODIFIED PASS-THROUGH FINANCING ONLY</p>

MISCELLANEOUS QUESTIONS CONTINUED

9. If New Construction, will the land be acquired from a related party?
 Yes
 No
 If yes, an appraisal will be required at Commitment.
10. Is the development an adaptive re-use or gut-rehab?
 Yes
 No
 If yes, please explain in the narrative.
11. If non-profit involvement, is the non-profit controlled by or affiliated with a for-profit organization?
 Yes
 No
12. Is the development deteriorated to the point of requiring demolition?
 Yes
 No
13. Has the development completed a full debt restructuring under the Mark to Market process within the last five (5) years?
 Yes
 No
 If yes, the development is ineligible for Preservation.
14. Will the project require Project Based Vouchers for supportive housing units?
 Yes
 No
 If yes, how many? _____
 If yes, who is providing the Project Based Vouchers?
15. Please list all persons or entities who will earn at least \$100,000 of developer fee.

Name of Principal	Company

MISCELLANEOUS QUESTIONS CONTINUED

TYPE OF LOW INCOME HOUSING TAX CREDIT REQUESTED

(Check applicable category)

- New construction without federal subsidies
- New construction with federal subsidies
- Rehabilitation only without federal subsidies
- Rehabilitation only with federal subsidies
- Acquisition and rehabilitation without federal subsidies
- Acquisition and rehabilitation with federal subsidies

MINIMUM SET-ASIDE ELECTION (Check one only)

- At least 20% of the residential rental units in the project will be income restricted and rent restricted to serve individuals and families whose income is no greater than 50% of area median income, adjusted for family size (**20/50**). (If this set-aside is elected, **ALL** tax credit units in the project must be income and rent restricted at no greater than 50% of area median).
- At least 40% of the residential rental units in the project will be income restricted and rent restricted to serve individuals and families whose income is no greater than 60% of area median, adjusted for family size (**40/60**).

AFFORDABILITY COMMITMENT (Complete the following)

The owner will sign a covenant running with the land agreeing to serve qualified low income tenants in the percentage outlined above for _____ years in addition to the 15 year compliance period and the IRS required 15 year "Extended Use Period" for a total of _____ years.* **See table below for calculation assistance.**

Compliance Period:	15 Years
+ IRS Required "Extended Use Period"	+ 15 Years
+ Additionally Committed Years	+ _____ Years
= Total Affordability Commitment	= _____ Years

*You will be required to keep the project low income for a minimum of 30 years.

FEDERAL SUBSIDIES (Note: Some items listed below may only be applicable to projects that placed in service prior to the enactment of the Housing and Economic Recovery Act (HERA) of 2008.)

The owner is electing to:

- Include the federal funds in eligible basis and request 30% present value (4%) credit.
- Exclude the federal funds from eligible basis and request 70% present value (9%) credit.
- Federal funds (HOME and NAHASDA) - 40% of the units in each building will be rented to families whose incomes do not exceed 50% of the area gross median income to qualify for the 70% present value (9%) credit.
- Federal funds will be loaned at or above the AFR to qualify for the 70% present value (9%) credit.
- Other, describe _____

ACQUISITION/REHABILITATION INFORMATION

For projects involving rehabilitation, the hard construction cost of the buildings must not be less than \$15,000 per unit.

1. Has the project ever operated under a different name? Yes No
List previous name(s) of project: _____

2. Rehabilitation projects:
 - Project will create new low income units through rehabilitation of units that have not been available for at least 1 year.
 - Project is substantially functionally obsolete or will provide modifications or betterments consistent with new building code requirements and MSHDA's design requirements.

3. Preservation Projects:
 - Project is within five years of any permitted prepayment or equivalent loss of low income use restrictions; or
 - Project will preserve already existing low income units provided the rehabilitation will repair or replace components that are:
 - i In immediate need of repair or replacement; or
 - ii Substantially functionally obsolete or being improved to provide modifications or betterments consistent with new building code requirements and MSHDA's Design Requirements.

4. Existing Government Assistance (Check all applicable)

<input type="checkbox"/> 221(d)(3) Below Market Interest Rate	<input type="checkbox"/> RHS
<input type="checkbox"/> Section 236	<input type="checkbox"/> Section 202
<input type="checkbox"/> Section 8 (Project based)	<input type="checkbox"/> HUD Financed or Insured
<input type="checkbox"/> The Project Will Retain Federal Assistance	<input type="checkbox"/> Other below mkt. Federal Loan
<input type="checkbox"/> MSHDA	<input type="checkbox"/> Prev. govt. funding above \$100,000
<input type="checkbox"/> Year 15 LIHTC Development	<input type="checkbox"/> HOPE VI
<input type="checkbox"/> Prepayment of HUD Loan w/conversion to enhanced vouchers	<input type="checkbox"/> Other, describe _____ _____

5. Is the project in a compliance period for a previous tax credit allocation?
(Received credit within the last fifteen years) Yes No
If Yes, the project does not qualify for credit.

6. Is this an expiring LIHTC Property? Yes No
If yes, when does it expire? _____

7. Number of buildings to be rehabilitated: _____

8. Total number of units to be rehabilitated: _____
9. How many units are currently occupied? _____
10. If the units are occupied, how many are occupied by tax credit eligible tenants? _____
How many are occupied by market-rate tenants? _____
11. If any units are unoccupied, how long have they been vacant? _____
12. Have substantial improvements greater than 25% of the adjusted project basis been performed during the 10 years prior to its acquisition by the owner?
 Yes. Dates: _____, _____, _____
 No.
13. The total number of buildings to be acquired is: _____
14. Number of buildings currently under control is: _____
15. Will the buildings be acquired from a related party? Yes No
16. Actual or projected acquisition date: _____
17. Date project was last placed in service: _____
18. Date of last substantial improvements: _____
19. If less than 10 years since last placed in service, is the project eligible for a waiver from the Secretary of the U.S. Department of Treasury?
 Yes. Date request submitted: _____
 Actual/projected date of approval: _____
 Attach copy of approval of waiver as **Exhibit 22**
 No
20. Does the buyer's basis equal the seller's basis? Yes No
21. Are any of the buildings owner-occupied single family dwellings?
 Yes.
 No.
22. Were/are any of the buildings:
 Purchased from a decedent's estate?
 Yes.
 No.
23. Purchased from a nonprofit or government; or Tax Exempt?
 Yes.
 No.
24. Acquired through gift/non-purchase?
 Yes.
 No.
25. Preserves Low Income Housing from market rate?
 Yes.
 No.

SYNDICATION INFORMATION

In accordance with threshold requirement #17 of the Qualified Allocation Plan, a non-binding letter of interest for LIHTC from an equity investor stating the amount of credit including the price per dollar of credit and the general terms and conditions of investment in the event the equity investor commits to the project must accompany the application. **See Exhibit Checklist 9g**

Below, provide information for your equity provider:

1. Type of offering:

- Public Placement
 Private Placement
 Owner Keeping Credit

2. Name: _____
 Street Address _____
 City _____ State _____ Zip _____
 Contact Person _____
 Telephone # with Area Code _____ Fax # with Area Code _____
 E-Mail Address: _____

3. Investors:

- Individuals
 Corporations
 Other

4. Amount of Federal Historic Tax Credit: \$ _____
5. Estimated proceeds to project from Federal Historic Rehabilitation Tax Credit: \$ _____
6. Amount of State Historic Tax Credit: \$ _____
7. Estimated proceeds to project from State Historic Rehabilitation Tax Credit: \$ _____
8. Amount of Brownfield Credit: \$ _____
9. Estimated gross proceeds to project from Brownfield Credit: \$ _____
10. Estimated gross proceeds to project from Low Income Housing Tax Credit: \$ _____
11. Estimated net proceeds to project from Low Income Housing Tax Credit: \$ _____
12. If there is a difference between gross and net proceeds, indicated in questions ten and eleven above, identify the page numbers in the partnership agreement where these amounts appear:

13. Amount of syndication expenses incurred by the sponsor (excluding bridge loan costs): \$ _____

14. Schedule of equity pay-ins to project:

Year # or Estimated Date	Amount
	\$
	\$
	\$
	\$
	\$
	\$

15. Estimated Amount of annual tax credit the syndicator will receive: \$ _____

16. Indicate the page number from the limited partnership agreement/syndication document that references this amount: _____

17. Indicate the equity contribution per dollar of annual tax credit: _____

18. Indicate the page number from the limited partnership agreement/syndication document that references this amount: _____

19. Type of Syndication Commitment:

- Limited Partnership Agreement
Partnership Name: _____
- Operating Agreement
- Notarized Letter(s) from Individual Investor(s)
List investor name(s)

- Letter of Commitment from Syndicator
- Other, Describe: _____

20. Describe any special conditions, contingencies, etc. affecting the syndication.

SCORING SUMMARY

COMPLETION & SUBMISSION OF THIS SCORING SUMMARY IS MANDATORY

MSHDA may reject applications that contain material errors in documentation, incomplete information, or inconsistencies.

Shaded areas are for MSHDA use only.

Project Name:	
City/Twp:	
County:	
<u>Self-identification</u> (check all that apply): 1. Detroit, Hamtramck, Highland Park (DHHP) <input type="checkbox"/> 2. Poverty Distressed Cities (PDC) <input type="checkbox"/> 3. Permanent Supportive Housing* – Set-Aside <input type="checkbox"/> 4. Cool Cities or Next Detroit Neighborhood Initiative <input type="checkbox"/> 5. Preservation <input type="checkbox"/> 6. Underserved Populations – Native American <input type="checkbox"/> 7. Underserved Populations – Affordable Assisted Living <input type="checkbox"/> 8. Tax Exempt Bond Financing <input type="checkbox"/> 9. Elderly – Statutory Set-Aside <input type="checkbox"/> 10. Nonprofit – Statutory Set-Aside <input type="checkbox"/> 11. Rural housing – Statutory Set-Aside <input type="checkbox"/> 12. Eligible distressed area – Statutory Set-Aside <input type="checkbox"/> 13. Rolling Allocation Process <input type="checkbox"/>	Funding Round: Point Self Score: MSHDA Point Score: <div style="background-color: #cccccc; height: 100px; width: 100%;"></div>
*Use scoring criteria found in Addendum III	

Selection Criteria		Possible Points	Self Score	Awarded
A. Project Location				
<p>1. Housing Needs Characteristics</p> <p>a. Housing Needs Score (From www.michigan.gov/mshda) Census tract(s) #: _____</p> <p>b. County Needs Score</p>		<p>10</p> <p>5</p>	<p>_____</p> <p>_____</p>	<p>_____</p> <p>_____</p>
<p>2. Locality/Neighborhood</p> <p>Points will be awarded to projects that are located in any of the following designated areas. Applicants will receive 1 point for each designation up to a maximum of 5 points total.</p> <ul style="list-style-type: none"> ▪ Empowerment Zone <input type="checkbox"/> ▪ Enterprise Community <input type="checkbox"/> ▪ Renaissance Zone <input type="checkbox"/> ▪ Core Community <input type="checkbox"/> ▪ Cool Cities Neighborhood <input type="checkbox"/> ▪ Renewal Community <input type="checkbox"/> ▪ Qualified Census Tract <input type="checkbox"/> ▪ Difficult to Development Area <input type="checkbox"/> ▪ Next Detroit Neighborhoods <input type="checkbox"/> <p>Documentation must be provided in Exhibit 18. Include census tract numbers where applicable. If applying as a Cool City, all information in Exhibit 27 must also be provided.</p> <p>To Determine Points, Go To: http://www.mshda.info/mfca_pnts/</p>		<p>5</p>	<p>_____</p>	<p>_____</p>

Selection Criteria			Possible Points	Self Score	Awarded
B. Project Financing					
<p>1. Tax Abatement</p> <p>A project application that submits evidence of local support in the form of tax abatement may receive points according to the chart below. These points will also be available to acquisition/rehabilitation/preservation projects for which tax abatement has previously been in place and the municipality has extended.</p> <p>To receive any points for tax abatement, any project specific tax abatement ordinance or area-wide tax abatement ordinance with a qualifying resolution submitted with an application must meet Authority requirements and must state the length of time the PILOT will be in effect (minimum of 15 years). Projects located in the City of Detroit must submit the project specific tax abatement resolution or a copy of the Detroit tax abatement ordinance, and a letter from the City of Detroit stating that the project is eligible for tax abatement. If location in a Renaissance Zone is presented as evidence of tax abatement, the project must document that tax abatement will be effective for the 15 year compliance period.</p> <p>Points will be awarded under the highest applicable category, not under multiple categories.</p>			15	_____	_____
Tax Abatement Categories	Elderly Project	Family, Permanent Supportive Housing			
Letter from municipality stating that the PILOT ordinance will be in effect for 15 years or more, it is on the approving board's agenda, and the date that the PILOT is expected to be approved	3 Points	6 Points			
Project-specific tax abatement ordinance in place for the entire 15 year compliance period	5 Points	10 Points			
Project-specific tax abatement ordinance in place for longer than 15 year compliance period	10 Points	15 Points			
Projects receiving tax abatement with a rate no greater than 4%			5	_____	_____

Selection Criteria				Possible Points	Self Score	Awarded
<p>2. Federal, State, or Local Funding</p> <p>Projects utilizing financing or contributions from federal, state, or local sources (exclusive of Fannie Mae and Freddie Mac) where the credit is needed to make a project feasible and to serve very low income families (e.g., HOME, CDBG, etc.) may receive up to 15 points. Evidence of the financing (including amount, terms, and interest rate), dated within 30 days of the application due date, must be submitted with the application. To obtain points for CIP or AHP financing, a commitment letter from the FHLB must be submitted. <u>Points will be awarded only for long-term permanent financing.</u> (Refer to Section VI(A)(2) on page 14 of Primary Application)</p>				15	_____	_____
Funding Categories		Federal / State Historic / Brownfield Tax Credits	CIP, AHP, CDBG, HOME, NSP	MSHDA,, RHS, HUD (including HOPE VI), Loan Guarantees		
Projects utilizing federal, state or local permanent financing for more than 10% of total development cost		5 Points	5 Points	5 Points		

Amount of total development cost: \$			
Type of Financing	Amount of Financing	% of TDC	
1.	\$	%	
2.	\$	%	
3.	\$	%	
4.	\$	%	

Selection Criteria	Possible Points	Self Score	Awarded
C. Project Characteristics			
<p>1. Reservation for Families with Children / Community Space for Elderly Projects</p> <p>Family projects that reserve at least 10% of the two or more bedroom units* for households with children will receive 10 points. These points are not available to projects serving the elderly. (Refer to Section IV(B)(1) on page 10 of Primary Application)</p> <p>Reserved units: _____ Total 2+ bedroom units*: _____ Percentage: _____</p> <p>– or –</p> <p>Projects serving the elderly that qualify for the elderly set-aside will receive 10 points for providing community space for use by tenants. To receive points, the community room must, at a minimum, be sized at 15 square feet (net usable floor space) per residential unit. It may be used for activities such as dining, crafts, exercise, medical clinic, socializing, or any other activity or use that may benefit elderly tenants. This space is envisioned as one room or contiguous space, and does not include common space such as hallways, offices, or lobbies. A drawing identifying square footage must be submitted for <u>all</u> community space. (See Exhibit 23)</p> <p>Total residential units*: _____ Minimum square footage: _____ (Res. units X 15) Community space provided: _____</p> <p>*Including market-rate units, but excluding management units</p>	10	_____	_____
<p>2. Economic Integration</p> <p>Projects that promote economic integration by serving market rate tenants in at least 20% of residential units (exclusive of management units) will receive 5 points. Market rate units must be evenly distributed among bedroom types and buildings, except in elderly projects. The IR Code states that scattered site projects cannot include market rate units.</p> <p>Number of market rate units: _____ Total residential units*: _____ Percentage of market rate units: _____</p> <p>*Including market-rate units, but excluding management units</p>	5	_____	_____

Selection Criteria		Possible Points	Self Score	Awarded				
<p>3. Low Income Targeting</p> <p>Points will be awarded to projects according to the table below insofar as the owner also agrees to restrict rents for those tenants to 30% of the applicable imputed household income for the applicable bedroom size.</p> <p>Both income and rents for scoring purposes will be based on <u>area median income</u>. No points will be awarded for units serving tenants at income and rent levels higher than 50% of area median income. The lower rent targeting must be evenly distributed among bedroom types. Also, the market rate units must be evenly distributed among bedroom types and buildings, except for elderly projects.</p> <p>For projects using project-based rental assistance to achieve low income targeting, see section IX.G. of the QAP.</p>		50	_____	_____				
Points Matrix	Percent of Area Median Income							
		50	45	40	35	30	25	20
	50	25	27.5	30	32.5	35	37.5	40
	45	22.5	25	27.5	30	32.5	35	37.5
	40	20	22.5	25	27.5	30	32.5	35
	35	17.5	20	22.5	25	27.5	30	32.5
	30	15	17.5	20	22.5	25	27.5	30
	25	12.5	15	17.5	20	22.5	25	27.5
	20	10	12.5	15	17.5	20	22.5	25
	15	7.5	10	12.5	15	17.5	20	22.5
	10	5	7.5	10	12.5	15	17.5	20
	5	2.5	5	7.5	10	12.5	15	17.5
	Percentages falling between those outlined in the table will be <i>rounded downward</i> . Each point increment will be used only once in the calculation of total points.							

****See next page for example****

_____	% of units at _____	% of AMI = _____	_____	points
_____	% of units at _____	% of AMI = _____	_____	points
_____	% of units at _____	% of AMI = _____	_____	points
_____	% of units at _____	% of AMI = _____	_____	points
_____	% of units at _____	% of AMI = _____	_____	points
_____	% of units at _____	% of AMI = _____	_____	points

TOTAL POINTS (Max 50) =

EXAMPLE:

A 49-unit project has 8 units at 30% of Area Median Income (AMI), 15 units at 40% of AMI, 14 units at 50% AMI, and 12 units at 60% AMI. This equates to 16.33% (8 units/49 total units) at 30% AMI, 30.61% at 40% AMI, 28.57% at 50% AMI, and 24.49% at 60% AMI. These percentages can also be obtained from the chart titled Low Income Tenant Targeting on page 10 of the Primary Application. In addition, with regard to the total points in this section, no partial points will be awarded and the maximum amount of points is 50. Examples of these situations would be: if a total of 47.5 points is achieved, the total would be rounded down to 47 points; or if a project receives 55 points it would be reduced to 50.

Point calculation for low income targeting:

16.33	% of units at	30	% of AMI =	17.5	points
30.61	% of units at	40	% of AMI =	20	points
28.57	% of units at	50	% of AMI =	12.5	points
24.49	% of units at	60	% of AMI =	0	points
_____	% of units at	_____	% of AMI =	_____	points
_____	% of units at	_____	% of AMI =	_____	points
TOTAL POINTS					50
(Max 50) =					

In this example, a total of 50 points is achieved. The points earned can be seen in the chart below.

Points Matrix	Percent of Area Median Income							
		50	45	40	35	30	25	20
Percent of Low Income Units to Total Units	50	25	27.5	30	32.5	35	37.5	40
	45	22.5	25	27.5	30	32.5	35	37.5
	40	20	22.5	25	27.5	30	32.5	35
	35	17.5	20	22.5	25	27.5	30	32.5
	30	15	17.5	20	22.5	25	27.5	30
	25	12.5	15	17.5	20	22.5	25	27.5
	20	10	12.5	15	17.5	20	22.5	25
	15	7.5	10	12.5	15	17.5	20	22.5
	10	5	7.5	10	12.5	15	17.5	20
	5	2.5	5	7.5	10	12.5	15	17.5
Percentages falling between those outlined in the table will be rounded downward . Each point increment will be used only once in the calculation of total points.								

Selection Criteria	Possible Points	Self Score	Awarded
<p>4. Affordability Commitment</p> <p>Projects that agree to commit to an extended use period longer than 15 years (i.e., beyond the minimum total commitment of 15 years compliance plus 15 years extended use = 30 years) will receive 0.34 points for each additional year, up to a maximum of 5 points. Fractional points will be rounded down. Thus, a project committing to a total affordability period of 45 years would earn the maximum 5 points.</p> <p>Projects are only eligible for these points if a MSHDA-approved and legally binding deed, land trust or regulatory agreement containing and evidencing appropriate restrictions will be recorded in the county land records upon execution.</p>	5	_____	_____
<p>5. Lease/Purchase Option</p> <p>Projects that agree to transfer 100 percent of the housing tax credit units' ownership at the end of the initial 15-year compliance period from the initial ownership entity of the project to tenant ownership will receive 3 points. To qualify for the points, the owner must provide a detailed proposal for eventual tenant ownership. Projects are only eligible for these points with a MSHDA-approved deed or land trust containing appropriate restrictions.</p> <p>(Refer to Section II(B)(1) on page 1 of Primary Application) (See Tab W, LIHTC Policy #5 for qualifications)</p>	3	_____	_____
<p>6. Michigan Products</p> <p>Projects that can demonstrate the use of products and goods that are manufactured by Michigan-based corporations <u>and</u> that are incorporated into the proposed development will receive 3 points. (Submit certification from architect as Exhibit 26; See Tab HH)</p>	3	_____	_____
<p>7. Historic Rehabilitation Projects</p> <p>Projects that are completing a rehabilitation of an existing certified historic property listed on the National or State Historic Register.</p>	5	_____	_____

Selection Criteria	Possible Points	Self Score	Awarded
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D. Sponsor/Management Agent Characteristics

<p>1. Previous Experience of General Partner/LLC</p> <p>Previous successful participation by a general partner or member of a limited liability company in the proposed development utilizing the LIHTC or other programs producing low-income housing will receive the following points under the highest applicable category, not under multiple categories. Points are based on years placed in service. (Applicants must complete form on page 25 of primary application outlining previous experience in order to receive points under this section. Failure to accurately complete this form will result in the loss of these points. Submit form as Exhibit 11a)</p>				20	_____	_____
Project Size, Placed in Service Yrs		Property outside Michigan	Property in Michigan			
1+ Project(s)	24 units or fewer, > 3 years	1 Point	2 Points			
1+ Project(s)	> 24 units, 1 to 3 years	3 Points	5 Points			
1-3 Projects	> 24 units, > 3 years	6 Points	8 Points			
4-5 Projects	> 24 units, > 3 years	11 Points	14 Points			
6-7 Projects	> 24 units, > 3 years	14 Points	18 Points			
8 + Projects	> 24 units, > 3 years	15 Points	20 Points			
Michigan-based business entity (organized or incorporated in Michigan and actively doing business in Michigan for at least 1 year from application date). Individuals are not eligible for these points.				2	_____	_____
<p>2. Previous Experience of Management Agent</p> <p>Previous successful participation by a management agent in managing low-income housing tax credit projects, with at least three years of experience. Points will be awarded only if the date in which management began such project(s) is included in the application, and will be awarded under the highest applicable category, not under multiple categories. Points are based on years managed. (Applicants must complete form on page 26 of primary application outlining previous experience in order to receive points under this section. Failure to accurately complete this form will result in the loss of these points. Submit form as Exhibit 11b)</p>				20	_____	_____
Project Size, Years Managed		Property outside Michigan	Property in Michigan			
1+ Project(s)	24 units or fewer, > 3 years	1 Points	2 Points			
1-6 Projects	> 24 units, > 3 years	6 Points	8 Points			
7-11 Projects	> 24 units, > 3 years	11 Points	14 Points			
12-14 Projects	> 24 units, > 3 years	14 Points	18 Points			

Selection Criteria				Possible Points	Self Score	Awarded
15 + Projects	> 24 units, > 3 years	15 Points	20 Points			
Michigan-based business entity (organized or incorporated in Michigan and actively doing business in Michigan for at least 1 year from application date). Individuals are not eligible for these points.				2	—	—
<p>3. Poor Previous Participation of Applicant</p> <p>Poor previous participation on the part of the Applicant, or any related party will be penalized in the form of negative points. This includes, but is not limited to, failure to utilize a Commitment or Allocation of credit, failure to meet requirements necessary to obtain a Carryover Allocation after notification has been provided to the Authority that the requirements would be met, inability to complete a previous project within three years of first submission, foreclosure or granting of a deed in lieu of foreclosure, failure to submit Owner's Certification and compliance monitoring information, repeated failure to submit required tax credit or compliance monitoring documentation in a timely manner, or serious and repeated violation of program requirements as determined by the Authority.</p> <p><i>If these points are awarded, points for successful previous experience in Section D.1. will not be given. Negative points will be imposed on Applicants for three years following the instance of poor participation. Entities voluntarily returning an allocation of LIHTC will not be subject to the receipt of these points.</i></p>				-20	—	—
<p>4. Poor Previous Participation of Management Agent</p> <p>Poor previous participation on the part of the management agent will be penalized in the form of negative points. This may include, but is not limited to, failure to provide correct information on monitoring reports, failure to verify and/or calculate tenant income and rents in accordance with federal regulations, or serious and repeated violation of program requirements as determined by the Authority.</p> <p><i>If these points are awarded, points for successful previous experience in Section D.2. will not be given. Negative points will be imposed on the management agent for three years following the instance of poor participation.</i></p>				-20	—	—
Selection Criteria				Possible Points	Self Score	Awarded

Selection Criteria	Possible Points	Self Score	Awarded
<p>5. Nonprofit Participation</p> <p>Projects involving nonprofit ownership will receive 5 points if all of the following criteria are met:</p> <ul style="list-style-type: none"> ▪ The nonprofit must be a 501(c) (3) or 501(c) (4) entity. ▪ The nonprofit must be a local, community-based organization with representation on its governing board from the local community in which the project is to be located, or representatives of the population it serves. ▪ The nonprofit must be organized in the State of Michigan, and must be in good standing. ▪ The nonprofit must not be affiliated with or controlled by any for-profit organization. (See IRC Section 42(h)(5)) ▪ No individuals or entities involved with or related to any potential for-profit participant in the development may be involved with or related to the creation or management of the nonprofit. ▪ The nonprofit must have been successfully engaged in the business of fostering low-income housing in its geographic area of operation, or fostering housing for the population it serves, for a minimum of three years. ▪ The nonprofit must have more than a 50% general partner interest in the proposed project, have a concomitant interest in the developer fee, and must be the managing general partner of the project. ▪ The nonprofit must be actively involved with the local community in which the project is located. ▪ The nonprofit must demonstrate the financial capacity to undertake the development of the project. <p>If there is more than one nonprofit owner, the owner with more than 50% ownership must provide the required information.</p> <p>Nonprofit Name % ownership</p> <p>_____ _____</p> <p>_____ _____</p> <p>_____ _____</p> <p>Documentation Checklist (mark all included with application)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Documentation of federal 501(c)(3) or (4) status <input type="checkbox"/> Certified Articles of Incorporation* <input type="checkbox"/> Copy of by-laws <input type="checkbox"/> List of board of directors, if applicable (including address and tenure of each board member) <input type="checkbox"/> Executed agreement between the sponsor and the non-profit if the project is a joint venture <input type="checkbox"/> Description of the non-profit's previous experience in housing (use form provided in the Primary Application) <input type="checkbox"/> Current Certificate of Good Standing* <input type="checkbox"/> Map outlining service area of non-profit. Map must clearly indicate the specific location(s) and name(s) of affiliated or proposed developments <input type="checkbox"/> Narrative describing the non-profit's involvement in the local community <input type="checkbox"/> Proof of CHDO approval (if applicable) <p>* Dated within 30 days of application due date</p>	5	_____	_____

Selection Criteria		Possible Points	Self Score	Awarded
E. Readiness to Proceed				
<p>1. Complete Readiness to Proceed</p> <p>Bonus points may be awarded for a project's Readiness to Proceed evidenced by submission at application stage of <u>all</u> of the following:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Firm commitment of all federal, state, and local financing or contributions which will apply to the project and are dated within 30 days of application due date¹ <input type="checkbox"/> Firm commitment for permanent financing, dated within 30 days of application due date, which is accepted by the sponsor² <input type="checkbox"/> Firm commitment for construction financing, dated within 30 days of application due date, which is accepted by the sponsor. <input type="checkbox"/> For projects needing tax abatement to achieve financial feasibility, the project specific tax abatement ordinance or an area-wide tax abatement ordinance with a qualifying resolution which meet Authority requirements³ <input type="checkbox"/> Evidence from the municipality of final site plan approval⁴ <input type="checkbox"/> Evidence from the municipality of proper zoning⁵ <input type="checkbox"/> Formation of ownership entity⁶ <p>Projects receiving points under this category will be required to proceed to closing and disbursement of the construction loan or equity syndication proceeds and, within 120 days of the issuance of the Reservation by the Authority, to provide the Authority with copies of the following:</p> <ul style="list-style-type: none"> • Executed Limited Partnership agreement • For projects located in the City of Detroit that are relying on tax abatement for financial feasibility, a copy of the project-specific PILOT resolution, if not provided at the time of application. • Record of the disbursement of the equity or construction loan • Recorded notice of commencement (or evidence that the notice has been received for recording) unless on tribal land • Recorded deed to the property (or evidence that the deed has been received for recording) or long-term lease on tribal land • All building permits necessary to begin construction, or a letter from the municipality stating that the permits will be issued upon payment of fees • Appraisal for rehabilitation projects and for new construction projects with an identity of interest 	25	_____	_____	

¹ For CIP financing, a commitment letter from the FHLB. For Authority financing, documentation indicating the receipt of an official Notice to Proceed.

² For RHS projects, an original letter signed by an official of RHS which commits funds to the project; for conventional construction and permanent financing, letters of commitment from the lender which are accepted by the sponsor, or signed mortgage documents. For Authority financing, documentation indicating the receipt of an official Notice to Proceed.

³ For projects located in the City of Detroit, the project specific tax abatement resolution, or the Detroit tax abatement ordinance and a letter from the City of Detroit stating that the project is eligible for tax abatement. Projects not relying on tax abatement for financial feasibility must indicate tax expenses in the Application.

⁴ For rehabilitation projects, a letter from the municipality indicating that the relevant board or commission of the municipality has reviewed the proposal, including the level of rehabilitation work to be completed, the site, and that no further plan approvals are necessary.

⁵ For rehabilitation projects a letter from the municipality must be submitted, stating that the zoning is compatible with the proposed use of the buildings.

⁶ Documentation submitted to the Department of Labor and Economic Growth's Bureau of Commercial Services, and certification dated within 30 days of application due date.

Selection Criteria	Possible Points	Self Score	Awarded
<p>2. Partial Readiness to Proceed</p> <p>If a project does not qualify for complete readiness to proceed, it may receive points for each of the following. A project that receives points in the preceding section for complete readiness to proceed will <u>not</u> be awarded additional points for these items:</p> <p>a. Firm commitment for construction financing that is dated within 30 days of application due date and is accepted by the sponsor (for Authority financing, documentation indicating an official Notice to Proceed). (Attach as Exhibit 9a)</p> <p>b. Evidence from the municipality that the proposed site is already properly zoned for the intended use.⁷ (Attach as Exhibit 3)</p> <p>c. Evidence from the municipality that the proposed site has received site plan approval.⁸ (Attach as Exhibit 16)</p>	<p>5</p> <p>5</p> <p>5</p>	<p>_____</p> <p>_____</p> <p>_____</p>	<p>_____</p> <p>_____</p> <p>_____</p>
<p>3. Equity Commitment</p> <p>Projects that can demonstrate a hard equity commitment from an investor (as defined in the Definitions Policy Statement) will receive 100 points, unless applying under the Rolling Allocation Process. To receive these points, the hard equity commitment must be accepted by the Sponsor, and documentation must be submitted from the Syndicator/Investor indicating the Sponsor's acceptance. The hard equity commitment may be conditioned upon award of credits.</p> <p>Projects receiving consideration under this category will also be required to provide documentation as specified in Section XI.C. of the QAP within 60 days of the issuance of the Reservation by the Authority. No waiver of this deadline will be granted.</p>	<p>100</p>	<p>_____</p>	<p>_____</p>

⁷ These points will be available for rehabilitation projects only if a letter from the municipality is submitted with the application stating that the zoning is compatible with the proposed use of the building(s).

⁸ These points will be available for rehabilitation projects only upon submission at application of a letter from the municipality indicating that the relevant board or commission of the municipality has reviewed the proposal, including the level of rehabilitation work to be completed, the site, and that no further plan approvals are necessary.

Selection Criteria	Possible Points	Self Score	Awarded
F. Preservation Developments			
<p>Preservation projects will receive points for the items listed below. Projects not submitting a CNA at the time of application (or other acceptable documentation shown in Section VII.B.3. of the QAP) will not be eligible to receive points for items 4, 6, and 7 below.</p> <ol style="list-style-type: none"> 1. Less than 10% increase in rent over previous levels following rehabilitation. 2. Preserving existing project-based tenant subsidies for length of compliance period. 3. Acquisition cost less than 60% of the total development cost. 4. Project lacks sufficient unrestricted capital to address replacement of items identified in the Capital Needs Assessment as having already exhausted their useful life as determined by the Authority. 5. Project is a high risk or distressed property as determined by the Authority. 6. Project requires rehabilitation in excess of \$20,000 per unit as supported by a Capital Needs Assessment satisfactory to MSHDA. Do not count both #6 and #7 together. 7. Project a) meets the Preservation threshold requirements, b) needs rehabilitation expenses of at least \$30,000 per unit as supported by a CNA satisfactory to MSHDA, and c) has an acquisition cost no more than sixty percent (60%) of the total development cost. Do not count both #6 and #7 together. 8. Project has (a) a commitment of funds from a local government (not including a PILOT) of at least \$5,000 per unit and proof of being part of a community revitalization effort, or (b) previously existing federal project-based rental assistance remains in place for at least thirty percent (30%) of the total units. 9. Project involves replacement or redevelopment of public housing units. 	<p>10</p> <p>10</p> <p>1</p> <p>1</p> <p>5</p> <p>5</p> <p>15</p> <p>15</p> <p>15</p>	<p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>	<p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>
G. NEW URBANISM/GREEN COMMUNITIES (Transfer Score from Leeds New Urbanism/Green Communities Checklist)	20		
TOTAL			

QUICK REFERENCE SHEET		Possible Points	Self Score	Awarded
A. Project Location				
1.	Housing Needs Characteristics			
a.	Census Tract Needs Score	10		
b.	County Needs Score	5		
2.	Locality/Neighborhood	5		
3.	Community Revitalization Plan	10		
a.	Existing housing	10		
b.	Adaptive Reuse/Vacant	5		
c.	New Economy/Downtown	10		
B. Project Financing				
1.	Tax Abatement	15		
2.	Tax Abatement Rate	5		
3.	Federal, State, or Local Funding	15		
C. Project Characteristics				
1.	Families with Children / Community Space	10		
2.	Economic Integration	5		
3.	Low Income Targeting	50		
4.	Affordability Commitment	5		
5.	Lease/Purchase Option	3		
6.	Michigan Products	3		
7.	Historic Rehabilitation Projects	5		
D. Sponsor Characteristics				
1.	Previous Experience of General Partner/LLC	20		
	Michigan-based Business	2		
2.	Previous Experience of Management Agent	20		
	Michigan-based Business	2		
3.	Poor Previous Participation of Sponsor	-20		
4.	Poor Previous Participation of Management Agent	-20		
5.	Nonprofit Participation	5		
E. Readiness to Proceed				
1.	Complete Readiness to Proceed	25		
2.	Partial Readiness to Proceed			
a.	Construction Financing Commitment	5		
b.	Proper Zoning	5		
c.	Site Plan Approval	5		
3.	Equity Commitment	100		
F. Preservation Developments				
1.	Less than 10% increase in rent over previous levels following rehab	10		
2.	Preserving existing project-based tenant subsidies for length of compliance period	10		
3.	Acquisition cost less than 60% of the total replacement costs.	1		
4.	Lacks sufficient unrestricted capital funds to provide renovations and repairs on an ongoing basis.	1		
5.	High risk or distressed property/not beyond point of demolition.	5		
6.	Project requires rehabilitation in excess of \$20,000 per unit.	5		
7.	Preservation with rehab above \$30,000/unit and acquisition cost below 60% of total project budget	15		
8.	Local government commitment or PBRA for > 30% of units	15		
9.	Replacement or redevelopment of public housing	15		
G. New Urbanism/Green Communities		20		
GRAND TOTAL				

**CERTIFICATION TO INCLUDE SECTION 8 EXISTING RENTAL
ALLOWANCE PROGRAM CERTIFICATE AND VOUCHER HOLDERS**

The undersigned agrees to include Section 8 Existing Rental Allowance Program certificate and voucher holders on the project's waiting list and to give them consideration.

The undersigned also agrees to give priority to persons whose names are on appropriate Public Housing or Housing Choice Voucher waiting lists maintained by a Public Housing Commission (PHC) or Public Housing Agency (PHA) in the area in which the project is located and further states it will make ongoing efforts to request that the PHC and/or PHA make referrals to the project, and place the relevant project information on any listing the PHC or PHA makes available to persons on their waiting lists. A copy of the written statement and documentation of ongoing efforts as evidenced by a referral agreement or other appropriate memorandum of commitment MUST be kept on file at the development's office and available for compliance inspection and review at all times.

If there is no PHA or PHC in the area in which the project is located, the undersigned will contact the Section 8 Existing Rental Allowance Program affiliated with the Michigan State Housing Development Authority (MSHDA). Contact will be made in writing on a yearly basis throughout the compliance period notifying the MSHDA representative in the county in which the project is located that consideration will be given to eligible Section 8 certificate or voucher holders.

Dated: _____

Name of Project: _____

Owner: _____

By: _____

Its: _____

AGENCY POLICY ON CIVIL RIGHTS COMPLIANCE:

The owner/developer/borrower and any of its employees, agents or sub-contractors in doing business with the Michigan State Housing Development Authority (the "Authority") understands and agrees that it is the total responsibility of the owner to adhere to and comply with all Federal Civil Rights legislation along with any required related codes and laws. Should the Authority not specify any specific requirements, such as design, it is none the less the owners responsibility to be aware of and comply with all non-discrimination provisions relating to race, color, religion, sex, handicap, familial status, national origin and any other classes protected in the State of Michigan. This includes design requirements for construction or rehabilitation, Equal Opportunity in regard to marketing and tenant selection and reasonable accommodation and modification for those tenants covered under such laws.

Dated: _____

Name of Project: _____

Owner: _____

By: _____

Its: _____

**INTERNAL REVENUE SERVICE
TECHNICAL ADVICE MEMORANDA
CERTIFICATION**

We acknowledge that we are familiar with the issuance of Private Letter Rulings by the Internal Revenue Service, and that we have discussed the substance of any rulings that may be applicable with our Certified Public Accountant. We also acknowledge that any applicable Private Letter Rulings may have an impact on the project's eligible basis, and the amount of credit that may be allocated to the project.

Dated: _____

Name of Project: _____

Owner: _____

By: _____

Its: _____

CERTIFICATION TO APPLICATION - MANDATORY

The undersigned is responsible for ensuring that the project consists or will consist of a qualified low income building or buildings as defined in Section 42 of the Internal Revenue Code of 1986, as amended, and will satisfy all applicable requirements of federal tax law in the acquisition, rehabilitation, or construction and operation of the project to receive the low income housing tax credit.

In accordance with the threshold requirements in the QAP pertaining to Permanent Supportive Housing Tenants, the undersigned is responsible for ensuring that a minimum of 10% of the units in the project shall be given leasing priority for tenants who meet MSHDA's definition of Supportive Housing Tenant, as found in Addendum III.

In addition, the undersigned is responsible for ensuring that all Affordable Assisted Living and Native American Housing requirements are met in accordance with Policy Bulletins found in the Combined Application, if applicable.

The undersigned is responsible for the inclusion of any Green Community/New Urbanism elements set forth in the Green Community/New Urbanism Criteria Checklist for which points were awarded. These features must be included in the architectural plans as well as in the final completed project.

The undersigned is responsible for all calculations and figures relating to the determination of the eligible basis and qualified basis for any building or buildings and understands and agrees that the amount of credit reserved, committed, or allocated hereunder has been calculated pursuant to the representations made herein, and further, that all representations contained herein, whether with respect to costs or any other item, are considered material to the application.

The undersigned, on behalf of the ownership entity that will be the owner of the project agrees that the Owner will sign IRS form 8821, Tax Information Authorization, authorizing the Internal Revenue Service to provide the Michigan State Housing Development Authority with information pertaining to this project, if MSHDA should request the form from the Owner at any time.

The undersigned agrees that the Michigan State Housing Development Authority will at all times be held harmless against any losses, costs, damages, expenses, or liabilities whatsoever, of any kind, including but not limited to attorney fees, litigation costs, amounts paid in settlement, or any loss of whatsoever nature directly or indirectly resulting from, arising out of, or related to consideration, approval, disapproval, or acceptance of this request for tax credit.

The Michigan State Housing Development Authority offers no advice, opinion, or guarantee that the applicant or the proposed project will ultimately qualify for or receive low income housing tax credit.

Any Reservation, Commitment, or Carryover received as a result of filing this application shall not bind the Michigan State Housing Development Authority to issue a low income housing tax credit.

An application fee in the amount of \$_____ is enclosed. This fee represents the sum of \$40 for each proposed low income unit, with a maximum of \$2,000.

Dated: _____ Name of Project: _____

Owner: _____

By: _____

Its: _____

Name of Project _____
Owner Management Company

**MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
LOW INCOME HOUSING TAX CREDIT PROGRAM**

AUTHORIZATION FOR RELEASE OF INFORMATION

Date: _____

Please duplicate this form and submit one for each state, EXCEPT MICHIGAN, in which any sponsor listed in this tax credit application has an ownership interest in a tax credit assisted project, and one for the management company that is listed in this tax credit application that has management experience of a tax credit assisted development. Forms should also be filled out for project owners or management companies who have done business under a different name or names.

Low Income Housing Tax Credit Administrator
_____ Housing Credit Agency
(State)

(Street Address)

(City, State, Zip)

We hereby request and authorize you to release to the Michigan State Housing Development Authority (MSHDA) any information that you have regarding _____
(Please check only one box. owner and/or management company) as it relates to project compliance, the curing of or failure to cure any project noncompliance, and any formal or informal action taken by your agency with respect to _____'s (owner and/or management company) participation in your Low Income Housing Tax Credit Program. Other data that would be relevant to MSHDA in its assessment of their development experience and compliance record would be appreciated. If you have any questions, please contact Norman L. Harrod, LIHTC Allocations Manager, at (517) 373-6007. Thank you in advance for your cooperation.

Company: _____

By: _____
(Signature)

Name: _____
(Typed)

It's: _____
(Title)

Identify below the name(s) of the project(s) you have an ownership interest in and/or manage in the above-identified state:

- | | |
|----------|----------|
| 1. _____ | 5. _____ |
| 2. _____ | 6. _____ |
| 3. _____ | 7. _____ |
| 4. _____ | 8. _____ |

SPONSOR CERTIFICATION - MANDATORY

This certification must be signed by each sponsor of the project. If there is more than one sponsor, this page must be duplicated.

The undersigned hereby certifies that neither I, nor any company with whom I am affiliated, is currently banned or involved in litigation with any other state credit allocating agency as of this date.

Company: _____

By: _____
(Signature)

Date: _____

Name: _____
(Typed)

It's: _____
(Title)

A SPONSOR THAT IS BANNED FROM PARTICIPATION IN THE TAX CREDIT PROGRAM IN ANOTHER STATE WILL BE BANNED FROM SUBMITTING AN APPLICATION FOR THE SAME PERIOD OF TIME. INVOLVEMENT IN LITIGATION WILL NOT AUTOMATICALLY RESULT IN A RETURNED APPLICATION, BUT THE AUTHORITY WILL REVIEW THE FACTS AND CIRCUMSTANCES SURROUNDING THE LITIGATION.

The undersigned hereby certifies that I, or a company with whom I am affiliated, is involved in litigation with another allocating agency at the time of submission of this application. The details of the litigation are outlined below.

Company: _____

By: _____
(Signature)

Date: _____

Name: _____
(Typed)

It's: _____
(Title)

WAIVER OF RIGHT TO EXTENDED USE PERIOD TERMINATION - MANDATORY

In accordance with Michigan's Qualified Allocation Plan, the Applicant hereby waives the right to termination of the extended use period provided by Section 42(h)(6)(E)(i)(II) of the Internal Revenue Code.

Section 42(h)(6) of the Internal Revenue Code provides:

(6) BUILDINGS ELIGIBLE FOR CREDIT ONLY IF MINIMUM LONG-TERM COMMITMENT TO LOW-INCOME HOUSING.---

(A) IN GENERAL.---No credit shall be allowed by reason of this section with respect to any building for the taxable year unless an extended low-income housing commitment is in effect as of the end of such taxable year.

(E) EXCEPTIONS IF FORECLOSURE OR IF NO BUYER WILLING TO MAINTAIN LOW-INCOME STATUS.---

(i) IN GENERAL.---The extended use period for any building shall terminate---

(I) on the date the building is acquired by foreclosure (or instrument in lieu of foreclosure) unless the Secretary determines that such acquisition is part of an arrangement with the taxpayer a purpose of which is to terminate such period, or

(II) on the last day of the period specified in subparagraph (I) if the housing credit agency is unable to present during such period a qualified contract for the acquisition of the low-income portion of the building by any person who will continue to operate such portion as a qualified low-income building. Subclause (II) shall not apply to the extent more stringent requirements are provided in the agreement or in State law.

Should a buyer be sought for a low-income housing development in the fourteenth year of the compliance period, the Applicant acknowledges that the Michigan State Housing Development Authority will not be obligated to find a buyer for the property. Furthermore, the extended use period will not terminate if a buyer cannot be found.

This waiver must be signed by the owner or an authorized agent thereof.

Signature

Printed Name

Title

Organization

DEVELOPMENT TEAM INFORMATION FORM

(This form must be completed for each member of the Development Team)

According to Section VII.C of the 2009 Qualified Allocation Plan,

Proposals submitted wherein any member of the Development Team (w) has been determined to be in default or in major non-compliance with LIHTC or any other MSHDA program, (x) has been debarred or suspended from any MSHDA, HUD, or Rural Housing programs, (y) is in foreclosure or been foreclosed, or (z) is under felony investigation, indicted or been convicted of a felony, will automatically be disqualified until the event or events of default, debarment, suspension, foreclosure, non-compliance, or other legal action are corrected or resolved.

All applicants shall submit the following information for each member of the "Development Team" for purposes of determining any areas of noncompliance or disqualification status.

NAME: _____

- CAPACITY:
- | | |
|---|--|
| <input type="checkbox"/> Applicant Entity | <input type="checkbox"/> Proposed Owner |
| <input type="checkbox"/> Principal of owner/Applicant | <input type="checkbox"/> Developer |
| <input type="checkbox"/> General Contractor | <input type="checkbox"/> Dev./Syndication Consultant |
| <input type="checkbox"/> Property Mgmt. Company | |
| <input type="checkbox"/> Related party(ies) or entities in the seller of any land or property | |

Other, Describe _____

Please list all tax credit developments that the entity listed above has participated in during the three years preceding this application submission.

_____	_____
_____	_____
_____	_____
_____	_____

Has this entity been involved in any felony criminal convictions, indictments, or pending criminal investigations? Yes No

If yes, please provide the details of each circumstance, unless prohibited by court order, statute or regulation.

PLEASE NOTE:

(If funded, upon MSHDA request, all "Development Team" members will be required to supply their Name, Address, S.S.N., and D.O.B. for purposes of completing background checks.)

Signature

Printed Name

Date

Title

**MSHDA FINANCING SIGNAGE
CERTIFICATION**

The undersigned agrees that it shall post signage at the project construction site listing the Michigan State Housing Development Authority (MSHDA) as a financing source should the referenced project receive an award of Low Income Housing Tax Credit (LIHTC).

Dated: _____

Name of Project: _____

Owner: _____

By: _____

Its: _____

HUD 221(d)(3) LIMIT CALCULATION

Project Name _____

County _____ Elevator Non-elevator

Total Units Including Employee Occupied and Market Rate _____

# of Bed-rooms	# of Units From Pg. 10		HUD Limits From Tab I		HUD Limit Totals
0		x		=	
1		x		=	
2		x		=	
3		x		=	
4+		x		=	
Totals					

If there is no acquisition credit Compare HUD Limit Total with the Adjusted Eligible Basis:
 HUD Limit Total \$ _____ Adjusted Eligible Basis Subtotal \$ _____
 If the HUD Limit is lower, the HUD limit becomes the Adjusted Eligible Basis.

If this is an acquisition/rehab project, complete the following calculation.

Adjusted Eligible Basis for Acquisition	
Plus Adjusted Eligible Basis for Rehab	
Total Adjusted Eligible Basis	

Compare HUD Limit Total with Total Adjusted Eligible Basis:
 HUD Limit Total \$ _____ Total Adjusted Eligible Basis \$ _____

If the Total Adjusted Eligible Basis (AEB) is lower, the AEB does not need to be adjusted. Continue completing the worksheet. If the HUD Limit is lower complete the following calculation.

FINAL ADJUSTED ELIGIBLE BASIS	
HUD 221(d)(3) Limit Total	
Less Adjusted Eligible Basis for Acquisition	
Adjusted Eligible Basis for Rehab	

Place the Adjusted Eligible Basis in the appropriate box in the 9% (the 4% amount will remain the same) column of the Worksheet and continue completing.