Tennessee Housing Development Agency
404 James Robertson Parkway, Suite 1200
Nashville, Tennessee 37243-0900
615/815-2200

Ralph M. Perrey
Executive Director

Writer's Phone Number:
615-815-2200
Writer's Fax Number:
615-564-2700

NOTICE

TO: All Interested Parties

FROM: Multifamily Development Division

SUBJECT: 2013 Multifamily Tax-Exempt Bond Authority Program Description

DATE: December 21, 2012

The following document is the 2013 Multifamily Tax-Exempt Bond Authority Program Description ("2013 PD") as approved by the Tennessee Housing Development Agency Board of Directors on November 27, 2012. The Exhibits to the 2013 PD are also included.

If you have questions, please submit them via email to AskMD@thda.org.

Ralph M. Perrey, Executive Director
Tennessee Housing Development Agency
404 James Robertson Parkway, Suite 1200
Nashville, Tennessee 37243-0900
www. thda.org

TENNESSEE HOUSING DEVELOPMENT AGENCY

2013 MULTIFAMILY TAX-EXEMPT

BOND AUTHORITY PROGRAM DESCRIPTION

This package includes:

Program Summary

Program Description

Exhibits

Tennessee Housing Development Agency
Multifamily Tax-Exempt Bond Authority
2013 Summary

- **THDA has authorized the allocation of Multifamily Tax-Exempt Bond Authority to local issuers for multifamily developments**:

  $150 million in Multifamily Tax-Exempt Bond Authority for developments which will close financing by the date specified in the Commitment Letter. $50,000,000 will be available in East Tennessee, $50,000,000 will be available for Middle Tennessee, and $50,000,000 for West Tennessee. Any unused, recaptured or released amounts after April 1, 2013 will be available first to any remaining eligible applications from that same Grand Division. If there are no remaining eligible applications from that same Grand Division, then the Multifamily Tax-Exempt Bond Authority will be available to the next highest ranking application regardless of Grand Divisions until the end of the application submission period as defined in Part IV.

- **Bonds must be issued by a local board or other issuing entity with jurisdiction in the area of the proposed development, or by an entity from outside the area of the proposed development, such entity having the authority to issue bonds in the area of the proposed development and consent from the issuing entity in the area of the proposed development.**

- **Some units must be occupied low-income households**: twenty percent (20%) of the units must be occupied by households with incomes no greater than fifty percent (50%) of area median income, or forty percent (40%) of the units must be occupied by households with incomes no greater than sixty percent (60%) of area median income. Seventy-five percent (75%) of the units must be occupied by households with incomes no greater than one hundred and fifteen percent (115%) of the area median income.

- For developments involving new construction, THDA will allocate **a maximum of fifteen million dollars ($15,000,000)** in Multifamily Tax-Exempt Bond Authority per development.

- For developments involving conversion and/or acquisition, THDA will allocate **a maximum of seventeen million two hundred and fifty thousand dollars ($17,250,000)** in Multifamily Tax-Exempt Bond Authority per development.

- The application submission period extends until the earlier of (i) the date upon which all Multifamily Tax-Exempt Bond Authority made available hereunder is fully committed or (ii) the first date applications will be accepted under a Multifamily Tax-Exempt Bond Authority Program Description as may be adopted by THDA for 2014.

- Multifamily Tax-Exempt Bond Authority will be allocated only to **eligible applications** on a first come, first served basis. If THDA receives multiple applications on the same day that, in the aggregate, request more Multifamily Tax-Exempt Bond Authority than is available, those applications will be ranked according to Part VI-F.

- **Applicants must meet THDA and federal tax requirements and all other applicable federal, State, and local laws or ordinances.**

- **A non-refundable $1,500 application fee is required with each application.** If a Commitment Letter is issued, the applicant must submit **a commitment fee of one percent (1%) of the amount of Multifamily Tax-Exempt Bond Authority allocated and separate incentive fee equal to twenty percent (20%) of the commitment fee.** Subject to the requirements of the Program Description, part of these fees may be returned.

This is only a brief description of some elements of the program. For a complete Program Description, contact Judith Smith at (615) 815-2143.

Tennessee Housing Development Agency
Multifamily Tax-Exempt Bond Authority for 2013

2013 Program Description

Part I: Background, Eligibility, and Requirements

The Tennessee Housing Development Agency (THDA) is making Multifamily Tax-Exempt Bond Authority available to local issuers for financing for multifamily housing units in Tennessee. Part of this Multifamily Tax-Exempt Bond Authority is available in each of the three Grand Divisions of the State. The Multifamily Tax-Exempt Bond Authority can be used only to provide financing for new construction of affordable rental housing units, for conversion of existing properties through adaptive reuse, or for acquisition and rehabilitation of rental units, subject to the conditions and requirements described below, and subject to Internal Revenue Service requirements.

A. Use of Multifamily Tax-Exempt Bond Authority:

1. Any Multifamily Tax-Exempt Bond Authority allocated pursuant to this Program Description must be used to provide financing for the development such that, as of the rehabilitation or new construction placed in service date, a minimum of fifty percent (50%) of the amount of Tax-Exempt Bond Authority closed and sold remains outstanding and such amount of bonds outstanding otherwise meets the requirements of Section 42(h)(4).
2. Applicants for and Recipients (as defined in Part II-D) of Multifamily Tax-Exempt Bond Authority must issue bonds no later than 1:00 PM Central Time on the date specified in the Commitment Letter.
3. To the extent not otherwise specified herein, all federal tax requirements for private activity bonds must be met.

B. Eligible Developments:

1. The development must be:
   a. New construction;
   b. A conversion of an existing property not being used for housing; or
   c. Acquisition and rehabilitation.
2. To the extent not otherwise required, the development must have hardwired smoke detectors, with battery backup, in the bedroom areas of all units.
3. One hundred percent (100%) of the units in buildings with elevators in the development and all ground floor units in non-elevator buildings in the development are “covered multifamily dwellings” (as defined in the Fair Housing Act). All covered multifamily dwellings must meet all accessible design requirements under the Fair Housing Act and must otherwise be designed and built in accordance with the Fair Housing Act (including one of the eight safe

harbors recognized by HUD as shown on **Exhibit 5**) and all other areas in the development open to the public are “public accommodations” as defined in the Americans with Disabilities Act and must be designed and built in accordance with the Americans With Disabilities Act. Certification from the design architect will be required following the issuance of the Commitment Letter. Confirmation from the supervising architect will be required prior to any partial refund of the Commitment Fee pursuant to Part X-D.

C. Ineligible Developments

1. Developments involving entities or individuals previously involved in a development that, at any time within a period of one year prior to the submission of the application for 2013 Multifamily Tax-Exempt Bond Authority, failed to submit any documentation required in Part X-D.

2. Developments involving entities or individuals previously determined, in THDA’s sole discretion, to be or have been involved in any Multifamily Tax-Exempt Bond Authority Application that received an allocation of Multifamily Tax-Exempt Bond Authority but (a) failed to meet established deadline for issuance and sale of the tax-exempt bonds; or (b) failed to place the development in service; or (c) failed to meet other requirements of this Program Description.

3. Developments involving entities or individuals previously determined, in THDA’s sole discretion, to be or have been involved in any development for which Section 1602 or TCAP assistance closed, but is in default thereunder or for which events have occurred that with the passage of time will become a default.

4. Voluntary withdrawal of a Multifamily Tax Exempt Bond Authority Application in accordance with all applicable program requirements will not cause ineligibility.

D. Identity of Interests

If a development involves acquisition of land or buildings, there can be no more than a fifty percent (50%) identity of interest between buyer and seller.

E. Tenants to be Served

1. Seventy five percent (75%) of the units in the development must be occupied by households with incomes no greater than one hundred fifteen percent (115%) of the area median income <u>and</u>

2.
   a. Twenty percent (20%) of the units in the development must be occupied by households with incomes no greater than fifty percent (50%) of the area median income; or

   b. Forty percent (40%) of the units in the development must be occupied by households with incomes no greater than sixty percent (60%) of the area median income.

F. Maximum Amount of Bonds per Development

1. A development involving new construction may not receive more than fifteen million dollars ($15,000,000) of Multifamily Tax-Exempt Bond Authority.
2. A development involving conversion and/or acquisition and rehabilitation may not receive more than seventeen million two hundred and fifty thousand dollars ($17,250,000) of Multifamily Tax-Exempt Bond Authority.
   a. Substantial Rehabilitation: maximum $17,250,000
      1. Developments involving substantial rehabilitation must be rehabilitated so that, upon completion of all rehabilitation as described in the Physical Needs Assessment, the major building systems will not require further substantial rehabilitation for a period of at least fifteen (15) years from the required placed in service date. Major building components are roof structures, wall structures, floor structures, foundations, plumbing systems, central heating and air conditioning systems, electrical systems, doors and windows, parking lots, elevators, and fire/safety systems. Rehabilitation hard costs must be no less than the greater of thirty percent (30%) of building acquisition costs or twelve thousand dollars ($12,000) per unit. Certification from the design architect will be required following the issuance of the Commitment Letter. Confirmation from the supervising architect will be required prior to any partial refund of the Commitment Fee pursuant to Part X-D.

   b. Moderate Rehabilitation: maximum $9,500,000
      1. Developments involving moderate rehabilitation must be rehabilitated so that, upon completion of all rehabilitation, rehabilitation hard costs must be no less than the greater of twenty-five percent (25%) of building acquisition cost or eight thousand dollars ($8,000) per unit. The rehabilitation scope of work must include, at a minimum, all appliances in all units being Energy-Star compliant, and all work specified in the Physical Needs Assessment with regard to drywall, carpet, tile, interior and exterior paint, the electrical system, heating and air conditioning systems, roof, windows, interior and exterior doors, stairwells, handrails, and mailboxes. Certification from the design architect will be required following the issuance of the Commitment Letter. Confirmation from the supervising architect will be required prior to any partial refund of the Commitment Fee pursuant to Part X-D.

   c. Limited Rehabilitation: maximum 7,500,000
      1. Developments involving limited rehabilitation must be rehabilitated so that, upon completion of all rehabilitation, rehabilitation hard costs must be no less than the greater of twenty percent (20%) of building acquisition cost or six thousand dollars ($6,000) per unit. The rehabilitation scope of work must include, at a minimum, all work specified in the Physical Needs Assessment with regard to interior and exterior common areas, interior and exterior painting and/or power

washing, gutters, parking areas, sidewalks, fencing, landscaping, and mailboxes. Certification from the design architect will be required following the issuance of the Commitment Letter. Confirmation from the supervising architect will be required prior to any partial refund of the Commitment Fee pursuant to Part X-D.

d. All rehabilitation expenditures must satisfy the requirements of Section 42(e)(3)(A)(ii) of the Code.

G. Maximum Amount of Multifamily Tax-Exempt Bond Authority per Developer or Related Parties

The maximum amount of Multifamily Tax-Exempt Bond Authority that may be committed to a single applicant, developer, owner, or related parties shall not exceed thirty million dollars (**$30,000,000**)**.** If 2012 Multifamily Tax-Exempt Bond Authority was exchanged for 2013 Multifamily Tax-Exempt Bond Authority pursuant to Part IX-C of the 2012 Multifamily Tax-Exempt Bond Authority Program Description, any amount of 2013 Multifamily Tax-Exempt Bond Authority shall count against the maximum amount of Multifamily Tax-Exempt Bond Authority that may be committed to a single applicant, developer, owner, or related parties pursuant to this Part I-G. THDA reserves the right, in its sole discretion, to determine whether related parties are involved for the purpose of applying this limitation.

H. Limit on Developer's Fee

1. The developer and consultant fees cannot exceed fifteen percent (15%) on the portion of the basis attributable to acquisition (before the addition of the fees), and cannot exceed fifteen percent (15%) of the portion of the basis attributable to new construction or to rehabilitation (before the addition of the fees).
2. If the developer and contractor are related parties, then the combined fees for contractor's profit, overhead, and general requirements plus the developer's and consultant's fees, cannot exceed fifteen percent (15%) of the portion of the basis attributable to acquisition (before the addition of the fees), and cannot exceed twenty-five percent (25%) of the portion of the basis attributable to new construction or to rehabilitation (before the addition of the fees).

I. Limits on Costs of Issuance

As provided in Section 147 (g), the costs of issuance financed by the proceeds of private activity bonds issued to finance multifamily housing may not exceed two percent (2%) of the proceeds of the issue.

J. Market Study Required

1. A market study, performed by an independent third party selected from **Exhibit 4** and prepared in accordance with the requirements of **Exhibit 1** (the "Market Study"), must be submitted with the application for all proposed developments. The Market Study, in a form and with content acceptable to THDA in its sole discretion, must support the need and demand for the proposed development.
2. The Market Study must be less than six months old at the time of submission in order to be acceptable.

3. Based on the information and analysis presented in the Market Study, and based on other information available to THDA, THDA may determine, in its sole discretion, that market demand is not sufficient to support the proposed development.

K. Appraisal Required

The application must include an appraisal of the proposed development performed in accordance with industry standards, by an appraiser licensed in Tennessee. The appraisal cannot be based solely or largely on a "cost" approach to value, but must also consider market and income approaches to value. The appraisal must include an assessment of the value of any noncompetitive Low-Income Housing Tax Credit. If the application is proposing acquisition of an existing structure, an "as is" appraisal must also be included regardless of whether noncompetitive Low-Income Housing Tax Credit for acquisition is sought.

L. Physical Needs Assessment Required

For applications proposing rehabilitation, the application must include a Physical Needs Assessment conducted by an independent third party. The Physical Needs Assessment must be in a form and with content acceptable to THDA in its sole discretion, and must include a complete and detailed work plan showing all necessary and contemplated improvements ***to be completed prior to the rehabilitation placed in service date,*** the projected cost, and confirmation that the work plan addresses all applicable requirements of Part I-F-2 of this Program Description. Physical Needs Assessments must be less than six months old at the time of submission in order to be acceptable.

M. Minimum Score Required

The application must receive at least 78 points under Part VII.

N. Land Use Restrictive Covenant Required

THDA will provide a Land Use Restrictive Covenant with a term of fifteen (15) years for developments using Multifamily Tax-Exempt Bond Authority **without** noncompetitive Low-Income Housing Tax Credit. THDA will provide a Land Use Restrictive Covenant for developments using Multifamily Tax-Exempt Bond Authority and noncompetitive Low-Income Housing Tax Credit based on the terms of and elections under the 2013 Qualified Allocation Plan. The Land Use Restrictive Covenant must be executed, recorded in the county where the development is located, and **the original** returned to THDA no later than the date specified in the Commitment Letter.

O. Building Codes Compliance Required

The development must meet all applicable local building codes or in the absence of such codes, the development must meet the following, as applicable: new construction of multi-family apartments of 3 or more units must meet the 2009 International Building Code; new construction or reconstruction of single-family units or duplexes must meet the 2009 International Residential Code for One- and Two-Family Dwellings; and rehabilitation of rental units must meet the 2009 International

Existing Building Code and the 2009 International Property Maintenance Code. Certification from the design architect will be required following the issuance of the Commitment Letter. Confirmation from the supervising architect will be required prior to any partial refund of the Commitment Fee pursuant to Part X-D.

P. Program Requirements and IRS Requirements

All program description requirements, application requirements, and IRS requirements must be met. If there is any inconsistency or conflict among the requirements, the most stringent of the requirements will apply, as determined by THDA.

Part II: Multifamily Tax-Exempt Authority Available

A. One hundred and fifty million dollars ($150,000,000) of Multifamily Tax-Exempt Bond Authority is available during the application submission period described in Part IV.

B. A total of fifty million dollars ($50,000,000) of Multifamily Tax-Exempt Bond Authority will be available initially in each of the three Grand Divisions (East, Middle, and West), then subsequently as provided in Part VI.

C. An amount of 2014 Multifamily Tax-Exempt Bond Authority equal to the amount of 2013 Multifamily Tax-Exempt Bond Authority, if any, that remains uncommitted as of December 31, 2013 will be available, subject to this program description and subject to an allocation of 2014 tax-exempt bond authority to THDA.

D. Recipients are eligible for commitments for Multifamily Tax-Exempt Bond Authority, provided that they meet all of the other requirements of this Program Description.

Part III: Receipt of Applications

The applicant must submit an original application and **ONE COPY** with content, formatting, and pagination identical to the attached application. Only complete applications will be accepted and they will be accepted only at the Tennessee Housing Development Agency, 404 James Robertson Parkway, Suite 1200, Nashville, Tennessee, 37243-0900. (applications by express delivery services should be sent to the same address, but at Zip Code 37219-1598). Applications submitted prior to the beginning of the application period indicated in Part IV will be reviewed following the beginning of the application period as indicated in Part V. No application or parts of applications will be accepted at any other location and no application or parts of applications will be accepted via facsimile transmission. All documents submitted to THDA must bear original signatures.

Part IV: Application Submission Period

No application will be accepted after 1:00 PM Central Time on the earlier of (i) the date upon which the amount of Multifamily Tax-Exempt Bond Authority made available hereunder is fully committed pursuant to Commitment Letters issued under Part IX of this Program Description or (ii) the day prior to the first date applications will be accepted under a Multifamily Tax-Exempt Bond Authority Program Description as may be adopted by THDA for 2014 (the "2014 Effective Date"). Applications resubmitted under Part VIII-B will be treated as new applications. No applications submitted under this program description will have priority or be considered under any Multifamily Tax-Exempt Bond Authority Program Description THDA may develop for 2014. New applications must be submitted for allocations of 2014 Multifamily Tax-Exempt Bond Authority following the 2014 Effective Date and such new applications will be subject to all requirements of any Multifamily Tax-Exempt Bond Authority Program Description THDA may develop for 2014, except for applications submitted within the application submission period described herein and for which Commitment Letters are issued under Part IX-C and Part IX-D. Any application received on the 2014 Effective Date will be handled and evaluated under the 2014 Multifamily Tax-Exempt Bond Authority Program Description.

Part V: Review of Applications for Completeness

A. Applications must be complete.

An application must be complete, as determined by THDA in its sole discretion, based on the requirements in this Program Description and the attached application. Incomplete applications will be returned to the applicant. THDA may request additional documentation and/or information for purposes of clarification. An applicant may request a determination from THDA's Executive Director or Deputy Executive Director regarding the reasonableness of such a request.

B. Information must be current.

1. Appraisal and market information older than six months, as determined by the date prepared and information contained therein will not be considered current or complete. Supplemental documentation, including any commitments, should not have expired if they contain an expiration date, or the application will not be considered complete. Documents indicating approval dates that have passed will not meet application requirements. Applications with such documents will be considered incomplete.
2. A resolution authorizing the issuance of bonds passed by the relevant issuing entity must be current and valid at the time of application. The applicant should coordinate any updates that may be required for the resolution to remain in effect. Information submitted that is not current will not be accepted by THDA and will cause the application to be deemed incomplete. Any information or documentation, which is not current or complete, will impair an applicant's chances of receiving Multifamily Tax-Exempt Bond Authority.

C. Responsibility for Complete and Current Information

<u>It is the sole responsibility of the applicant to submit a complete application with complete and current information.</u>

D. Multiple Applications for a Single Development

1. Multiple applications submitted as separate phases of one development will be considered as one development and reviewed as one application. THDA reserves the right to request additional information or documentation, if necessary, to determine if applications submitted will be considered and reviewed as one or more developments.
2. Only one application may be submitted and be considered for a development. THDA reserves the right to request additional information or documentation to determine if applications submitted will be considered and reviewed as one or more developments.
3. A single application may be submitted for up to four developments provided that **each** of the following conditions applies to **each** development:
   a. located in a rural county as defined in **Exhibit 3**;
   b. no more than 48 total units; and
   c. if developments are not all located within the same county, all counties in which the developments are located must be contiguous and within the same Grand Division.

   An application submitted under this Part V-D-3 will be treated as an application for a single development for purposes of applying the limits in Part I-F of this Program Description.

Part VI: Scoring Process and Allocation Per Grand Division

A. All applications will be scored according to the criteria described below. An application must receive at least 78 points to be eligible to receive Multifamily Tax-Exempt Bond Authority.

B. Multifamily Tax-Exempt Bond Authority will be allocated on a first come, first served basis to eligible applicants by Grand Division until the total amount of Multifamily Tax-Exempt Bond Authority available in each Grand Division is allocated. If THDA receives multiple eligible applications on the same day that, in the aggregate, request more Multifamily Tax-Exempt Bond Authority than is available, those applications will be ranked according to Part VI-F. The process of allocating Multifamily Tax-Exempt Bond Authority within Grand Divisions will end with the last complete eligible application that can be allocated in any Grand Division.

C. If there is any Multifamily Tax-Exempt Bond Authority remaining in any Grand Division, or if any additional Multifamily Tax-Exempt Bond Authority is recaptured or released, any such amounts shall remain available first to qualified applicants in that same Grand Division until April 1, 2013. THDA will issue a commitment of Multifamily Tax-Exempt Bond Authority to each eligible application in each Grand Division until the final amount of available Multifamily Tax-Exempt Bond Authority is exhausted.

D. Following April 1, 2013, any remaining Multifamily Tax-Exempt Bond Authority will be available statewide on a first come, first served basis to eligible applicants until the end of the application period specified in Part IV above and subject to all other requirements of this Program Description. The limits specified in Part I-G will not apply.

E. Applications for developments that have received an allocation of Multifamily Tax-Exempt Bond Authority in 2003 or later will not be considered for an allocation of 2013 Multifamily Tax-Exempt Bond Authority prior to October 1, 2013. *The provisions of Part IX-C-3 will not apply.*

F. Multiple Applications Received on the Same Day

1. If, on or before April 1, 2013, THDA receives multiple eligible applications for the same Grand Division on the same day that, in the aggregate, request more Multifamily Tax-Exempt Bond Authority than is available in that Grand Division, the eligible applications will be ranked in descending order by score and priority will be given to the eligible application(s) with the highest score. If two or more eligible applications have the same score, the eligible applications with the same score will be ranked in ascending order by Multifamily Tax-Exempt Bond Authority requested per low-income unit and priority will be given to the eligible application(s) with the lowest Multifamily Tax-Exempt Bond Authority requested per low-income unit.

2. If, after April 1, 2013, THDA receives multiple eligible applications on the same day that, in the aggregate, request more Multifamily Tax-Exempt Bond Authority than is available, the eligible applications will be ranked in descending order by score and priority will be given to the eligible application(s) with the highest score. If two or more eligible applications have the same score, the eligible applications with the same score will be ranked in ascending order by Multifamily Tax-Exempt Bond Authority requested per low-income unit and priority will be given to the eligible application(s) with the lowest Multifamily Tax-Exempt Bond Authority requested per low-income unit.

Part VII: Scoring Criteria

Points will be awarded, as indicated below, to applications demonstrating that they meet the following conditions:

A. Meeting Housing Needs: Maximum 50 points

1. Proximity to Essential Services: *Maximum 46 points*

   a. Developments or proposed developments located within proscribed distances of certain essential services as reflected in **Exhibit 6**. For urban counties (as specified in **Exhibit 2**), distances will be determined by www.walkscore.com. For rural counties (as specified in **Exhibit 2**), distances will be determined by www.maps.google.com. Verification of distance generated by the applicable web site must be included in the Initial Application.

2. Developments located wholly and completely in a Qualified Census Tract or a Difficult to Develop Area as designated by HUD (**Exhibit 2**): *4 points*

B. Development Characteristics: Maximum 35 points

1. Developments not involving rehabilitation designed and built to promote energy conservation by meeting the standards of the 2009 International Building Code. Certification from the design architect will be required following the issuance of the Commitment Letter. Confirmation from the supervising architect will be required prior to any partial refund of the Commitment Fee pursuant to Part X-D: *10 points*
2. Developments not involving rehabilitation designed and built using brick, stone, cement fiber siding, or vinyl to meet a 15-year maintenance-free exterior standard. Certification from the design architect will be required following the issuance of the Commitment Letter. Confirmation from the supervising architect will be required prior to any partial refund of the Commitment Fee pursuant to Part X-D: *10 points*
3. Developments not involving rehabilitation designed and built with a minimum of 65% of the exterior wall surfaces below the plate line covered with brick, stone, or cement fiber siding. Certification from the design architect will be required following the issuance of the Commitment Letter. Confirmation from the supervising architect will be required prior to any partial refund of the Commitment Fee pursuant to Part X-D: *15 points*
4. Rehabilitation Only
   a. Developments involving major rehabilitation, as described in Part I-F-2-(a) of this Program Description: *35 points*
   b. Developments involving moderate rehabilitation, as described in Part I-F-2-(b) of this Program Description: *30 points*
   c. Developments involving limited rehabilitation, as described in Part I-F-2-(c) of this Program Description: *25 points*
5. For developments involving a combination of new construction and rehabilitation, points will be prorated based on the percentage of units in each category.

C. Serving Special Populations: Maximum 50 points

1. One hundred percent (100%) of the units designed, built and occupied by the elderly. The definition of elderly is as follows:
   a. for proposed developments utilizing other state or federal financing (e.g. HUD, USDA), the definition of elderly shall be consistent with the requirements of the other state or federal financing; or
   b. for all other proposed developments, the definition of elderly shall be a household whose head or head's spouse or sole member is a person who is at least 62 years of age.

   Certification from the design architect will be required following the issuance of the Commitment Letter. Confirmation from the supervising architect will be required prior to any partial refund of the Commitment Fee pursuant to Part X-D: *20 points*

OR

2. The greater of one unit or at least five percent (5%) of the total number of units in the development (which number shall be rounded up to the next whole unit) must fully meet accessibility requirements for persons with disabilities. Certification from the design architect will be required following the issuance of the Commitment Letter. Confirmation from the supervising architect will be required prior to any partial refund of the Commitment Fee pursuant to Part X-D: *20 points*

OR

3. The development must have and be operated in accordance with marketing plans, lease-up plans, and operating policies and procedures which are fully compliant with the THDA Affirmative Marketing Policy and Procedures. The development must also include at least 2 of the following on-site amenities:
   a. Appropriately sized, dedicated space with appropriate furniture and fixtures for and agreements with providers of after-school tutoring or homework help programs; or
   b. Appropriately sized computer room containing at least 1 computer with free internet access for each 50 total units; or
   c. Ball court separate from all parking areas; or
   d. Playground with permanent playground equipment

   Certification from the design architect will be required following the issuance of the Commitment Letter. Confirmation from the supervising architect will be required prior to any partial refund of the Commitment Fee pursuant to Part X-D: *20 points*

OR

4. Developments with at least fifty percent (50%) of the units designed and built for single room occupancy (which number shall be rounded up to the next whole unit). Certification from the design architect will be required following the

issuance of the Commitment Letter. Confirmation from the supervising architect will be required prior to any partial refund of the Commitment Fee pursuant to Part X-D: *20 points*

AND

5. Election to set aside up to twenty percent (20%) of the units (which number shall be rounded up to the next whole unit) for households with incomes no higher than fifty percent (50%) of the area median income with rents maintained at or below the 50% of area median income maximums. Units occupied by households with Section 8 Housing Choice Vouchers count toward this requirement: *maximum 30 points*

Percent of units	Points
At least 10%	*10 points*
At least 15%	*20 points*
At least 20%	*30 points*

NOTE: Election of points under this Part VII-C-5 shall constitute a corresponding election of points under Part VII-B-4 of the 2013 Low-Income Housing Tax Credit Qualified Allocation Plan with regard to an application for noncompetitive Low-Income Housing Tax Credit.

D. Increasing Housing Stock: 5 points

Developments which are new construction or are conversions of buildings not being used for housing which make them usable as housing.

E. Affirmatively Furthering Fair Housing: 2 points

The development must have and be operated in accordance with marketing plans, lease-up plans, and operating policies and procedures which are fully compliant with the THDA Affirmative Marketing Policy and Procedures.

F. Energy Efficiency 25 points

Energy Efficiency

Developments utilizing the energy efficiency items below will be awarded points as indicated. Confirmation from the supervising architect will be required prior to any partial refund of the Commitment Fee pursuant to Part X-D.

(i) Electrical - Lighting: *5 points*

(a) All light fixtures in units and common areas to be initially fitted with Energy Star rated light bulbs, compact fluorescent or LED; and

(b) If ceiling fans are provided, the fan must be an Energy Star rated ceiling fan with light fixture (the light fixture is not required to be Energy Star rated) and must connect to wall switches.

(ii) Water Conservation – Plumbing: *5 points*

(a) Use of at least of one (1) high efficiency or dual flush toilet per unit; and

(b) All faucets, shower heads, and toilets must be EPA "Watersense" rated.

(iii) HVAC Upgrades: *5 points*

(a) HVAC systems, including the air handler and line sets, must be rated at 14 SEER and properly sized for the units; and

(b) Energy Star rated unit temperature control thermostats in each unit.

(iv) Energy Efficient Appliances: *5 points*

(a) Energy Star rated Frost free Refrigerator/Freezer in all units; and

(b) Energy Star rated Dishwashers in all units; and

(c) All other appliances provided in the unit, including in unit washers, must be Energy Star rated (this requirement does not apply to dryers, ovens, ranges, or microwaves).

(v) Building Construction: *5 points*

(a) Use of double glazed, insulated energy efficient windows for all windows in all units; and

(b) Attic insulation must meet R-30 minimum value; and

(c) Metal-clad wood, fiberglass, or hollow metal construction exterior doors with a minimum R-11 rating in all units.

Part VIII: Eligibility Determination and Completeness Notification

A. Notice to Applicants Meeting Eligibility Requirements

1. THDA will notify each applicant when the eligibility determination and scoring of the application is complete.
2. If THDA determines that an application meets all of the eligibility requirements of this Program Description, the notice will include information about the number of eligible applicants received before this applicant and the status of the allocations per Part VI. A Commitment Letter (see Part IX) may be issued in lieu of this information.

B. Notice to Applicants Not Meeting Eligibility Requirements or Incomplete

1. If THDA determines that an application does not meet one or more of the eligibility requirements of this Program Description or is incomplete, THDA will return the application with notice to the applicant describing items that were erroneous, missing, incomplete, or inconsistent. THDA will also notify applicants if THDA determines that (a) any two or more developments proposed in two or more applications constitute a single development for purposes of applying the development limits specified in Part I-F or (b) developers or related parties

reflected in two or more applications constitute a single entity for purposes of applying the developer or related party limitation specified in Part I-G.

2. Applicants may cure the deficiencies and resubmit the application, in accordance with Part IV. The resubmitted application will be treated as a new application in accordance with Part IV. A resubmission fee may be due as described in Part X-B.

Part IX: THDA Commitment for Volume Cap

A. Issuance of Commitments

1. a. All commitments, as described in this Part IX, will be issued in the form of a letter only to the relevant local issuing authority, and will be valid only to provide financing for a specific applicant, for a specific development, on a specific site (the "Commitment Letter"). Any change in the applicant entity, the ownership entity, or in the size, nature, or other characteristics of the development; may, in THDA's sole discretion, invalidate the Commitment Letter. Under no condition may the site proposed for the development be changed to another site. The applicant and the local issuing authority are obligated to report any such changes to THDA regardless of whether such changes occur prior to or after the issuance of a Commitment Letter.

   b. For the commitment to be valid, the applicant and the issuer must comply with all of the terms stated in the Commitment Letter, which might include compliance with performance requirements related to any other development for which tax-exempt bonds have been issued.

2. For successful applications for Multifamily Tax-Exempt Bond Authority pursuant to this Program Description, THDA will issue a Commitment Letter stating the terms of the commitment.

3. Commitment Letters will not be issued if the amount of Multifamily Tax-Exempt Bond Authority made available hereunder is fully committed.

B. Expiration of Commitment

1. Once a THDA Commitment Letter is issued, it is valid for a maximum of 90 days from the date specified in the Commitment Letter. The bonds must be used to provide the financing for the development, the local issuer must issue and sell the bonds, and the sale must be closed on or before the date specified in the Commitment Letter, otherwise the commitment expires and the Multifamily Tax-Exempt Bond Authority allocated automatically reverts to THDA.

2. **THDA, in its sole discretion, may extend the date and time for closing the sale of the bonds beyond 1:00 PM Central Time on the date specified in the Commitment Letter. A written request for an extension must be received by THDA a minimum of five (5) business days prior to the expiration of the Commitment Letter in order for the request to be considered. <u>THDA will not approve requests for extensions of more than ten (10) business days</u>. <u>If an extension is granted, the Incentive Fee WILL NOT be refunded</u>.**

3. **Closings in escrow, or any form of contingent closing are not considered "closed" for purposes of expiration of the commitment.**

C. Commitment Letters Issued Between October 1, 2013 and December 31, 2013

1. The 90 day period specified in the Commitment Letter will extend beyond December 31, 2013, however, no carryforward of 2013 Multifamily Tax-Exempt Bond Authority will be permitted for bond closings that occur after December 31, 2013.
2. THDA will extend the 90 day period specified in the Commitment Letter for a number of days equal to the number of days between January 1, 2014 and the date upon which THDA receives an allocation of Multifamily Tax-Exempt Bond Authority for 2014. This extension will not affect the Incentive Fee, however, Part IX-B-2 will apply to any other extensions requested.
3. The Commitment Letter will specify the procedure by which 2013 Multifamily Tax-Exempt Bond Authority may be exchanged for 2014 Multifamily Tax-Exempt Bond Authority, subject to THDA's receipt of 2014 Multifamily Tax-Exempt Bond Authority. Such an exchange will not extend the 90 day period specified in the Commitment Letter, except as specified in Part IX-C-2 above.
4. Any failure to meet the requirements specified in the Commitment Letter to exchange 2013 Multifamily Tax-Exempt Bond Authority for 2014 Multifamily Tax-Exempt Bond Authority will result in the recapture of the 2013 Multifamily Tax-Exempt Bond Authority referenced in the Commitment Letter by THDA and no subsequent eligibility for 2014 Multifamily Tax-Exempt Bond Authority.

D. Commitment Letters Issued Between January 1, 2014 and the 2014 Effective Date

1. No Commitment Letters will be issued for applications submitted between January 1, 2014 and the 2014 Effective Date if no 2013 Multifamily Tax-Exempt Bond Authority was uncommitted as of December 31, 2013.
2. Commitment Letters issued between January 1, 2014 and the 2014 Effective Date will reflect a commitment of 2014 Multifamily Tax-Exempt Bond Authority, subject to the availability of 2014 Multifamily Tax-Exempt Bond Authority by THDA and limited to a maximum collective amount of 2014 Multifamily Tax-Exempt Bond Authority equal to the amount of 2013 Multifamily Tax-Exempt Bond Authority uncommitted as of December 31, 2013.
3. No Commitment Letters will be issued under this 2013 Multifamily Tax-Exempt Bond Authority Program Description on or after the 2013 Effective Date.

Part X: Fees, Partial Refunds of Fees, and Fees Retained by THDA

A. Application Fee

An Application Fee of one thousand five hundred dollars ($1,500) must be submitted to THDA at the time an application is submitted. THIS FEE IS NOT REFUNDABLE. If the fee is not submitted at the time an application is submitted, the application is incomplete and will be returned. Applications returned for this reason must submit the full one thousand five hundred dollar ($1,500) Application Fee if resubmitted.

B. Resubmission Fee

A Resubmission Fee of seven hundred and fifty dollars ($750) must be submitted to THDA if an application is resubmitted following the resubmission deadline specified in the notice described in Part VIII-B.

C. Commitment Fee and Incentive Fee

1. Applications receiving a Commitment Letter from THDA for a specific amount of Multifamily Tax-Exempt Bond Authority must submit a Commitment Fee and an Incentive Fee prior to the commitment being valid.
2. The Commitment Fee will be an amount equal to one percent (1%) of the Multifamily Tax-Exempt Bond Authority allocated to the local issuer.
3. The Incentive Fee will be equal to twenty percent (20%) of the Commitment Fee.

D. Refund of Commitment Fee and Incentive Fee

1. a. The following documentation, without limitation, must be submitted by the applicable deadlines:
   - (i) documentation from the issuing authority's bond counsel (including, without limitation, a Closing Confirmation Letter) must be submitted **no later than the expiration of the Commitment Letter**;
   - (ii) acceptable proof that all units are constructed and the facility is placed in service must be submitted **no later than two years after the expiration of the Commitment Letter**;
   - (iii) all applicable certifications required in Part VII-B must be submitted **no later than two years after the expiration of the Commitment Letter**; and
   - (iv) acceptable proof that all forms to be filed by the issuing authority have been completed and filed to THDA's satisfaction must be submitted **no later than two years after the expiration of the Commitment Letter**.

   b. Following satisfaction of all applicable requirements of Part X-D-1-a above, one half (½) of the Commitment Fee will be refunded.
2. If all the conditions of Part X-D-1 have been met and the bonds were issued and sold on or before 1:00 PM Central Time on the date specified in the Commitment Letter, THDA will refund the Incentive Fee.

3. If the application is withdrawn, THDA will retain the full amount of the Incentive Fee. If the application is resubmitted in substantially the same form and during the same calendar year, in THDA's sole discretion, the retained Incentive Fee from the withdrawn application may be applied toward the Incentive Fee for the resubmitted application.
4. If 2013 Multifamily Tax-Exempt Bond Authority is exchanged for 2014 Multifamily Tax-Exempt Bond Authority in accordance with the provisions of Part IX-C-3 above, the Commitment Fee will be refunded in the event that THDA does not receive 2014 Multifamily Tax-Exempt Bond Authority.

E. Release of Commitments and Partial Refund of Commitment Fee

1. Commitments may be released by notifying THDA, in writing, prior to the expiration of the Commitment Letter, that the bonds will not be issued.
2. A commitment which is released according to these requirements will receive a refund of seventy-five percent (75%) of the Commitment Fee. THDA will retain twenty-five percent (25%) of the Commitment Fee.

F. Commitment Fee and Incentive Fee Retained by THDA

1. If the bonds are not issued by the expiration date of the Commitment Letter, and the Commitment Letter has not been released according to Part X-D, THDA will retain the full amount of the Commitment Fee and the full amount of the Incentive Fee. **NONE** of the Commitment Fee and **NONE** of the Incentive Fee will be refunded to the applicant.
2. If the bonds are issued and sold, but the development is not placed in service, THDA will retain the full amount of the Commitment Fee and the full amount of the Incentive Fee. **NONE** of the Commitment Fee and **NONE** of the Incentive Fee will be refunded to the applicant.
3. If a request for an extension to the deadline for closing the sale of the bonds beyond 1:00 PM Central Time on the date specified in the Commitment Letter is approved in accordance with Part IX-B-2., **NONE** of the Incentive Fee will be refunded to the applicant.

G. Monitoring Fee

1. For Developments that receive Multifamily Tax-Exempt Bond Authority and noncompetitive Low Income Housing Tax Credit, Monitoring Fees shall be as prescribed in the applicable Tax Credit Qualified Allocation Plan.
2. For Developments that receive Multifamily Tax-Exempt Bond Authority, but do not receive Low Income Housing Tax Credit, Monitoring Fees shall be as follows:
   a. When the development is placed in service, a compliance Monitoring Fee is due to THDA, payable in the form of a certified check (this fee also applies to USDA/RD [formerly FmHA] developments). The Monitoring Fees are $400 per unit in the Development.

b. Owners seeking to correct non-compliance will be charged additional fees to cover additional costs which may be incurred by staff to correct the non-compliance issue.

   (i) Reinspection of a file: $200

   (ii) Reinspection of a property:

   (iii) Standard mileage rate in effect by the State of Tennessee at the time of the reinspection from Nashville to the property and back to Nashville;

   (iv) applicable state allowed per-diem for one staff person;

   (v) Lodging expenses as allowed under State of Tennessee travel regulations; and

   (vi) Any other expenses incurred by THDA relating to the property reinspection.

c. Fees will be due to THDA prior to issuance of reinspection findings.

d. At any time following the fifth year of monitoring for each development, THDA will evaluate the need for an additional Monitoring Fee. THDA may, at its sole discretion, charge a single <u>additional</u> Monitoring Fee not greater than the initial Monitoring Fee stated above. THDA will charge this additional Monitoring Fee only if the costs of monitoring for Tax Credit compliance, in the aggregate, appear likely to exceed the aggregate amount of initial Monitoring Fees collected. A decision by THDA to charge any such additional fee shall not constitute an amendment to this Program Description.

e. Owners who fail to submit the required Owner's Annual Certification of Compliance forms and supporting documentation by the date required by THDA will be charged a late fee of $100 per month, for each month, or portion of a month, until the Certification and supporting documentation is received and considered satisfactory by THDA. This fee will be due upon submission of the forms and/or supporting documentation required. Receipt of Certification without the applicable late fee will be considered incomplete.

Part XI: Application for Low-Income Housing Tax Credits

If the development also seeks non-competitive Low-Income Housing Tax Credit ("non-competitive Tax Credit"), a separate application must be submitted to Tennessee Housing Development Agency to request the non-competitive Tax Credit. <u>Receipt of authority to issue tax-exempt bonds does not guarantee receipt of non-competitive Tax Credit.</u> THDA retains the authority to determine eligibility to receive non-competitive Tax Credit and the amount of non-competitive Tax Credit to be allocated to the development, up to the maximum amount eligible with tax-exempt financing. Any development seeking non-competitive Tax Credit must apply for non-competitive Tax Credit under the applicable Tax Credit Qualified Allocation Plan in the same calendar year in which the tax-exempt bonds are issued. THDA will conduct an eligibility and scoring review under the applicable Tax Credit Qualified Allocation Plan with regard to a non-competitive Tax Credit application submitted in conjunction with an application for Multifamily Tax-Exempt Bond Authority within forty-five (45) days of THDA's receipt of such non-competitive Tax Credit application. Any applicant for non-competitive Tax Credit will be subject to all fees and requirements stated in the applicable Tax Credit Qualified Allocation Plan, including monitoring fees.

If a development is the subject of a pending **competitive** 2013 or 2014 Tax Credit application and is the subject of an application under the 2013 Multifamily Tax-Exempt Bond Authority Program Description, the issuance of a Commitment Letter in accordance with Part IX-A of this Program Description shall constitute the withdrawal of the **competitive** Tax Credit application.

The maximum obtainable rents supported by the market study will be expected to support reasonable operating expenses and maximum mortgage debt service prior to Tax Credits filling any financial "gaps". This may require that the development obtain additional financing from other sources over and above the maximum amount of Multifamily Tax-Exempt Bond Authority or non-competitive Tax Credit committed to the development by THDA.

Part XII: Controlling Document

In the event of a conflict between this 2013 Tax-Exempt Multifamily Bond Authority Program Description and the Low-Income Housing Tax Credit 2013 Qualified Allocation Plan, the Low-Income Housing Tax Credit 2013 Qualified Allocation Plan shall be the controlling document with regard to applications for non-competitive Tax Credit.

Part XIII: Information and Applications

THDA staff will attempt to assist with information in completing an application, however if clarification or interpretation is required, an interested party should submit their specific request in writing to THDA.

For more information call:

Judith Smith at (615) 815-2143
Information is available on THDA's web site at: www. thda.org

2013 Multifamily Tax-Exempt Bond Authority

Exhibit 1

MARKET STUDY GUIDELINES

(a) The market study must contain current information less than six months old at the time of submission. The market study must also include data and information regarding all existing or proposed tax credit developments that received reservation notices, preliminary award letters, carryovers or final allocations of tax credits in this calendar year or in any prior calendar year that are located in the neighborhood and in the market area. **NOTE:** Comparables as used in property appraisals are not acceptable.

(b) The market study must include, without limitation, all of the following:

(1) Name and telephone number of person performing the study, their qualifications to perform this market study, and a statement indicating the person and/or entity performing the study has no identity of interest with any person or entity involved in this Development, including, without limitation, the ownership entity and any of its partners, any other member of the Development team, or any individuals involved in any such entities;

(2) On site field study by person performing the market study;

(3) Data identifying and describing the market areas, neighborhood and site, including geographic and demographic information;

(4) Data identifying existing units and rent types, as well as any existing LIHTC developments or proposed developments which have LIHTC reservations which will be built or renovated in the market area or neighborhood;

(5) Data to support the rent structure proposed in the Initial Application;

(6) Data identifying vacancies of rental units in the market area and neighborhood;

(7) Data identifying income qualified households at or below the LIHTC income limits for the neighborhood and market area;

(8) Current and projected need based on market conditions supported by data from various market sources including waiting list information from all Section 8 and local public housing authorities serving that area;

(9) Projected absorption time (rent up) of the proposed units by the market;

(10) Data identifying and supporting the need for rental housing for “Special Housing Needs”;

* The elderly (62 yrs and older), persons with disabilities, and permanent support housing for the homeless, if such structure was proposed in the Initial Application;

(11) Color photographs of the proposed site and surrounding neighborhood.

(12) Market Study Executive Summary, (attached)

MARKET STUDY EXECUTIVE SUMMARY / EXHIBIT 1

(i) Market Study Summary

Project Name:				Project ID:	
Location:					
Street Address	City/State	Zip Code	County	Total Units	
PMA Description				LIHTC Units	
Farthest Boundary Distance to Project				# Buildings	rental
Within QCT (y/n)	Within DDA (y/n)				
Type of Development		Targeted Household Type			
Development Recommended?					

(ii) Rental Housing Stock (found on pages ***)

Type	# Properties	Total Units	Vacant Units	Current Occupancy
All Rental Housing				
Market-Rate Housing				
Assisted/Subsidized Housing (excl. LIHTC)*				
LIHTC Housing*				
All Comparable Developments[1]				
Non-Stabilized Comparable Developments				

Includes properties located outside the subject's defined PMA due to lack of available data within the subject's PMA.

[1]Comparable developments are those that compete at nearly the same rent levels and tenant profile, such as age, family, and income.

(iii) Rent Comparison

Proposed Subject Rents in Comparison to Market									
Proposed Subject Development					Adjusted Mkt Rent			Highest Unadjusted Comp Rent	
# Units	# BR	# BA	S.F.	Proposed Rent	Per Unit	Per S.F.	Mkt Adv.	Per Unit	Per Sq. Ft.
Gross Proposed Monthly Rent						**Avg. Mkt Adv.**			

(iv) Demographic Data (found on page ***)

Household Segment	2000		2012		2014	
Renter Households						
Income-Qualified Renter Households						
Market Rent Households (if applicable)						

(v) Targeted Income-Qualified Renter Household Demand (found on pages ***)

Type of Demand	50%	60%	Market-Rate	Other ___	Other ___	Overall
Renter Household Growth						
Existing Households						
Home Conversion						
Other - Rent Overburdened and Substandard Units						
Less Comparable/Competitive Supply						
Net Demand						

(vi) Capture Rates (found on page ***)

Target Population	50%	60%	Market-Rate	Other ___	Other ___	Overall
Capture Rate						

(vii) Absorption Rate (found on page ***)

Absorption Rate	per month	Absorption Period	months

2013 Multifamily Tax-Exempt Bond Authority
Exhibit 2

QUALIFIED CENSUS TRACTS AND DIFFICULT DEVELOPMENT AREAS

This document is available online at the following address:

http://www.huduser.org/datasets/qct.html

2013 Multifamily Tax-Exempt Bond Authority
Exhibit 3
URBAN AND RURAL COUNTIES

Rural/Urban Definition using Census 2010 – Cut-off at 50% of Total Population Rural

URBAN

County	Percent Rural
Shelby	3%
Davidson	3%
Hamilton	10%
Knox	11%
Rutherford	17%
Williamson	19%
Montgomery	20%
Hamblen	22%
Sullivan	26%
Madison	26%
Washington	26%
Sumner	28%
Blount	33%
Bradley	33%
Anderson	35%
Putnam	35%
Wilson	38%
Loudon	41%
Carter	41%
Maury	42%
Dyer	43%
Unicoi	45%
Coffee	47%
Haywood	47%
Gibson	48%

RURAL

County	Percent Rural	County	Percent Rural	County	Percent Rural
Roane	51%	Lewis	70%	McNairy	85%
Robertson	53%	Claiborne	72%	Moore	100%
Campbell	55%	Lincoln	72%	Morgan	100%
Tipton	55%	Giles	74%	Bledsoe	100%
Bedford	56%	Sequatchie	74%	Clay	100%
Sevier	57%	Lawrence	76%	Decatur	100%
Hawkins	58%	Monroe	76%	Fentress	100%
Lauderdale	59%	Henderson	76%	Grainger	100%
Jefferson	59%	Marion	77%	Grundy	100%
McMinn	60%	White	78%	Hancock	100%
Cumberland	61%	DeKalb	78%	Hickman	100%
Warren	61%	Benton	78%	Houston	100%
Obion	62%	Fayette	79%	Jackson	100%
Greene	65%	Macon	80%	Lake	100%
Chester	65%	Hardeman	80%	Meigs	100%
Marshall	66%	Scott	81%	Perry	100%
Henry	67%	Cannon	81%	Pickett	100%
Weakley	67%	Humphreys	82%	Polk	100%
Crockett	67%	Smith	83%	Stewart	100%
Cocke	68%	Cheatham	83%	Trousdale	100%
Dickson	68%	Carroll	83%	Union	100%
Hardin	68%	Overton	84%	Van Buren	100%
Rhea	68%	Johnson	85%	Wayne	100%
Franklin	70%				

The Census rural/urban definition can be found at: http://www.census.gov/geo/www/ua/2010urbanruralclass.html
Source: http://factfinder2.census.gov/bkmk/table/1.0/en/DEC/10_SF1/P2/0400000US47.05000

Exhibit 4 - 2013 Approved Market Study Vendor Listing										
Approved Vendor	**Contact Name**	**Contact Address**	**Contact City**	**Contact State**	**Contact Zip**	**Contact Phone**	**Contact Fax**	**Contact Email or Company Website**	**Grand Division Preference**	**Special Needs and/or Elderly Experience**
Allegier Company	M.A. Allgeier	214 South 8th Street, Suite 200	Louisville	Kentucky	40202	(502) 585-3651	(502) 589-7480	www.allgeiercompany.com	E, M, W	Yes
Bowen National Research	Patrick Bowen	155 E. Columbus Street, Suite 220	Pickerington	Ohio	43147	(615) 833-9300	N/A	patrickb@bowennational.com	E, M, W	Yes
Donald White & Associates, LLC	Donald White, MAI	10308 Starkey Lane	Knoxville	Tennessee	37932	(865) 599-1545	(865) 966-8052	whiteappraisals@att.net	E and M	Yes
Fielder Group Market Research, L.L.C.	Elizabeth Rouse Fielder	P.O. Box 22698	Lexington	Kentucky	40522-2698	(859) 276-0000	(859) 276-2302	erfielder@fieldergroup.com	E, M, W	Yes
GAR Associates, Inc.	M. Scott Allen	2399 Sweet Home Road	Amherst	New York	14228	(716) 691-7100	(716) 691-7770	sallen@garappraisal.com	E, M, W	Yes
Gill Group, Inc.	Cash Gill	512 N. One Mile Road P.O. Box 784	Dexter	Missouri	63841	(573) 624-6614	(573) 624-2942	cash.gill@gillgroup.com	E, M, W	Yes
Gibson Consulting, LLC	Thomas F. Gibson	6658 Youree Drive, Suite 180 PMB403	Shreveport	Louisiana	71105-4651	(318) 524-0177	(318) 524-0214	ford@fgibsonconsulting.com	E, M, W	Yes
Integra Realty Resources	J. Walter Allen	700 Colonial Road, Suite 102	Memphis	Tennessee	38117	(901) 866-4934	(901) 767-4918	wallen@irr.com	E, M, W	Yes
John Wall and Associates	John Wall	P.O. Box 1169	Anderson	South Carolina	29622	(864) 261-3147	(864) 226-5728	jwa_ofc@bellsouth.net	E, M, W	Yes
LBK Appraisal Services	Laurie B. Kinzer	1105 Wildtree Lane	Knoxville	Tennessee	37923	(865) 691-2889	(865) 806-9065	LBKAppraisals@comcast.net	E, M, W	Yes
LDS Consulting Group, LLC	Lynne D. Sweet	233 Needham Street	Newton	Massachusetts	02464	(617) 454-1144	(617) 454-1145	ldsweet@ldsconsultinggroup.com	E, M, W	Yes
Lea & Company	Byron N. Lea	3721 Wrightwood Drive	Studio City	California	91604	(818) 914-1892	(818) 762-3906	N/A	E, M, W	Yes
Lexington Realty Service	Dale R. Mussatti	7935 Harwood Avenue	Wauwatosa	Wisconsin	53213	(414) 475-1775	(414) 475-1770	N/A	E, M, W	Yes
MacDonald Associates, Inc.	Tom MacDonald	P.O. Box 294	Bath	Maine	04530	(207) 443-3600	(207) 443-3665	www.MacDonaldAssociates.com	E, M, W	Yes
Market Analyst Professionals, LLC	Chris Vance	5400 Washburn Ave. S	Minneapolis	Minesota	55410	(248) 515-0496	(248) 281-0389	cavance@mindspring.com	E, M, W	Yes
Mitchell Market Analysts, Inc.	Jennifer Atkinson	822 Fort Wayne Avenue	Indianapolis	Indiana	46204	(317) 687-2747	(317) 687-2748	N/A	E, M, W	Yes
National Land Advisory Group	Richard Barnett	2404 E Main Street	Columbus	Ohio	43209	(614) 545-3900	(614) 545-4900	rbarnett@landadvisory.biz	E, M, W	Yes
Novogradac Company, LLP	Michalena M. Sukenik	2325 Lakeview Parkway Suite 450	Alpharetta	Georgia	30009	(678) 867-2333	(678) 867-2366	michalena.sukenik@novoco.com	E, M, W	Yes
Real Property Research Group	Bob Lefenfeld	10400 Little Patuxent Parkway Suite 450	Columbia	Maryland	21044	(410) 772-1004	(410) 772-1110	bob@rprg.net	E, M, W	Yes
Shaw Research & Consulting	Steven Shaw	P.O. Box 38	Bad Axe	Michigan	48413	(989) 415-3554	(989) 803-5904	steveshaw@shaw-research.com	E, M, W	Yes
Vogt Santer Insights	Robert Vogt	869 W Goodale Boulevard	Columbus	Ohio	43212	(614) 224-4300	(614) 225-9505	chips@vsinsights.com	E, M, W	Yes
Woods Research, Inc.	James M. Woods	5209 Trenholm Road	Columbia	South Carolina	29206	(803) 782-7700	(803) 782-2007	woodsresearch@aol.com	E, M, W	Yes
Updated 12/6/2010										

2013 Multifamily Tax-Exempt Bond Authority
Exhibit 5
FAIR HOUSING ACT REQUIREMENTS

- See www.fairhousingfirst.org for complete information.

- The following are HUD recognized safe harbors identified at www.fairhousingfirst.org which, if met, indicate compliance with the Fair Housing Act's design and construction requirements:

  1. HUD Fair Housing Accessibility Guidelines published on March 6, 1991 and the Supplemental Notice to Fair Housing Accessibility Guidelines: Questions and Answers about the Guidelines, published on June 28, 1994.
  2. HUD Fair Housing Act Design Manual
  3. ANSI A117.1 (1986), used with the Fair Housing Act, HUD's regulations, and the Guidelines.
  4. CABO/ANSI A117.1 (1992), used with the Fair Housing Act, HUD's regulations, and the Guidelines.
  5. ICC/ANSI A117.1 (1998), used with the Fair Housing Act, HUD's regulations, and the Guidelines.
  6. Code Requirements for Housing Accessibility 2000 (CRHA).
  7. International Building Code 2000 as amended by the 2001 Supplement to the International Codes.
  8. International Building Code 2003, with one condition: effective February 28, 2005 HUD determined that the IBC 2003 is a safe harbor, conditioned upon ICC publishing and distributing a statement to jurisdictions and past and future purchasers of the 2003 IBC stating, "ICC interprets Section 1104.1, and specifically, the exception to Section 1104.1, to be read together with Section 1107.4, and that the Code requires an accessible pedestrian route from site arrival points to accessible building entrances, unless site impracticality applies. Exception 1 to Section 1107.4 is not applicable to site arrival points for any Type B dwelling units because site impracticality is addressed under Section 1107.7."
  9. ICC/ANSI A117.1 - 2003 (Accessible and Usable Buildings and Facilities).
  10. 2006 International Building Code (loose leaf).

  One of these eight must be referenced in the required certificates.

- Refer to www.fairhousingfirst.org for detailed information regarding the following seven basic design and construction requirements that must be met to ensure Fair Housing Act compliance:
  1. An accessible building entrance on an accessible route.
  2. Accessible common and public use areas.
  3. Usable doors (usable by a person in a wheelchair).
  4. Accessible route into and through the dwelling unit.
  5. Light switches, electrical outlets, thermostats and other environmental controls in accessible locations.
  6. Reinforced walls in bathrooms for later installation of grab bars.
  7. Usable kitchens and bathrooms.

- These requirements are stated in the fair housing Act, as amended, 42 U.S.C. 3604 (f)(3)(C). To describe these requirements in more detail, HUD published Fair Housing Accessibility Guidelines (the "Guidelines") on March 6, 1991, and supplemented the Guidelines with a **Supplemental Notice: Questions and Answers About the Guidelines** published on June 28, 1994. The Guidelines are one of eight safe harbors for compliance that HUD has identified.

2013 Multifamily Tax-Exempt Bond Authority
Exhibit 6

PROXIMITY TO ESSENTIAL SERVICES

For urban counties as specified in Exhibit 3: The distance will be determined using www.Walkscore.com. To claim points, please print out the walk score distance and provide it as supporting documentation for each characteristic claimed.

For rural counties as specified in Exhibit 3: The distance will be determined using www.maps.Google.com. To claim points, derive the distance by taking the measurement from the point closest to the site entrance to the point closest to the neighborhood characteristic entrance. Please print out the Google map distance and provide it as supporting documentation for each characteristic claimed.

Neighborhood Characteristic Defined	Distance		Points Awarded	
Maximum Points Available: 69	**Urban**	**Rural**	**Preferred**	**Other**
Full service grocery must be open and available to the general public and operate during regular business hours, its major retail function selling a full range of groceries including meats, produce, dairy products and household supplies, *e.g. Kroger, Publix, Jitney Jungle, Food City, Bi-Lo, Wal-Mart Super Center, Super Kmart, Super Target, Trader Joe's, The Fresh Market, Ingle's Market, IGA, Stop and Shop, Food Lion, Save-A-Lot, Harris Teeter, Whole Foods, Piggly Wiggly, Lowes Foods, etc.* (if the grocery contains a full service bank, points may be claimed for each)	**1 mile**	**5 miles**	**4**	**2**
Pharmacy or Drug Store must be open and available to the general public and operate during regular business hours, its major retail function selling a full range of medical, health or prescription supplies, *such as CVS, Walgreens, Rite Aid, HealthSaver, or an independent pharmacy that requires a pharmacist on site to be licensed to prepare prescriptions, etc.*	**1 mile**	**5 miles**	**4**	**2**
Full service restaurant and /or retail center	**2 miles**	**10 miles**	**N/A**	**2**

Neighborhood Characteristic Defined	Distance		Points Awarded	
Stand-alone shopping stores which must be open and available to the general public and operate during regular business hours, its major retail function selling a full range of sundries, *such as Big Lot's, Dollar General, Dollar Tree, Everything's a Dollar, Family Dollar, Kmart, Roses, Target, Walmart, etc.*	**2 miles**	**10 miles**	**N/A**	**2**
Public transportation access *(e.g. bus stop or passenger train station, regional county(ies) transportation services utilizing vans or buses, human resource agency vanpools, etc.)*	**½ mile**	**5 miles**	**4**	**2**
Full service bank or credit union *(ATMs do not qualify)*	**2 miles**	**10 miles**	**4**	**2**
Health Care Facilities including: Doctor's offices, (*general practitioners, not specialized practices)*, **State or County Health Clinics, Walk-in or Urgent Care Clinics** *(that does not require a prior appointment),* **Emergency Clinics or Hospitals** *(facilities must not be exclusive)*	**2 miles**	**5 miles**	**4**	**2**
Public community centers that offer a broad spectrum of services suited to the diverse needs and interests of persons in the surrounding neighborhood *(e.g. senior centers, city/county recreation center)*	**2 miles**	**5 miles**	**4**	**2**
Public Library *(a facility that is part of a city, county, state or regional public library system or cooperative that maintains materials available for the general public to borrow at no cost)*	**2 miles**	**10 miles**	**N/A**	**2**

Neighborhood Characteristic Defined	Distance		Points Awarded	
<u>Public park</u> *(an outdoor public location listed and maintained by a local government department),* **<u>playground or recreational area or gymnasium.</u>** *(They must be open to the general public and available to the targeted tenant populations with no admission fee required. Locations that are not intended for the general public such as locally maintained dog parks, skate parks and golf courses will not be considered public parks. Playgrounds at churches, schools, or in other neighborhoods, and private gyms will not be eligible to receive points.)*	**2 miles**	**10 miles**	**4**	**2**
<u>U. S. Post Office</u>	**2 miles**	**10 miles**	**N/A**	**2**
<u>Convenience store with gas station</u>	**2 miles**	**2 miles**	**4**	**2**
<u>Churches or places of worship</u> *(Must operate as not for profit organizations)*	**2 miles**	**10 miles**	**N/A**	**2**
<u>Police Station or Sheriff Offices</u>	**5 miles**	**10 miles**	**N/A**	**2**
<u>Fire Stations</u> *(including Volunteer Fire Stations)*	**5 miles**	**10 miles**	**N/A**	**2**
<u>Public School</u> where the principal admission criterion is the address of the child. This includes charter schools that are available to appropriately aged children living in the proposed development.	**1 mile**	**10 miles**	**4**	**2**

Preferred Essential Services for Developments Serving Elderly, Disabled or Homeless Populations	Preferred Essential Services for All Other Developments
Grocery	Grocery
Pharmacy	Public Transportation
Public Transportation	Bank
Bank	Public Community Center
Health Care Facility	Public Park
Public Community Center	Convenience Store with Gas Station
Convenience Store with Gas Station	Public School

NOTE: Absence of "Preferred Essential Services" will not cause an Initial Application to be ineligible.