



Tennessee Housing Development Agency

404 James Robertson Parkway, Suite 1200

Nashville, Tennessee 37243-0900

615/815-2200

Ted R. Fellman
Executive Director

Writer's Phone Number:
615-815-2200

Writer's Fax Number:
615-564-2700

MEMORANDUM

TO: Applicants for TCAP funding

FROM: Multifamily Development Division

DATE: September 21, 2009

SUBJECT: Application for TCAP

Attached are the application form, together with a TCAP Preliminary Expenditure/Construction Schedule and a TCAP Application Certification that, collectively, constitute the application for funding pursuant to the Tax Credit Assistance Program pursuant to Title XII of the American Recovery and Reinvestment Act of 2009 ("TCAP"). All of these items must be completed and submitted along with the documentation identified in the application form (i.e. documentation to satisfy the requirements of boxes checked) to constitute a complete application.

APPLICATIONS FOR TCAP FUNDING FROM THE FOLLOWING DEVELOPMENTS MUST BE SUBMITTED TO THDA NO LATER THAN 1:00 PM CENTRAL TIME ON MONDAY, SEPTEMBER 28, 2009. THIS DEADLINE WILL NOT BE EXTENDED OR WAIVED UNDER ANY CIRCUMSTANCES. FAILURE TO SUBMIT THE REQUIRED APPLICATION BY THIS DEADLINE WILL MEAN YOUR DEVELOPMENT IS NOT ELIGIBLE FOR TCAP FUNDING.

TN09-020 ROSEWOOD PLACE APARTMENTS

TN09-027 GALLAWAY MANOR

TN09-028 LEXINGTON CIVIC APARTMENTS

TN09-060 FLENNIKEN HOUSING

TN09-068 CROSSINGS WAY APARTMENTS

There will be a later TCAP application deadline established for applications from the following two groups of developments:

- (1) developments that are the subject of a noncompetitive 2009 LIHTC Initial Application that have not received a Tax Credit Reservation Notice as of September 21, 2009; and
- (2) developments that are the subject of a competitive 2009 LIHTC Initial Applications that have not received a Tax Credit Reservation Notice as of September 21, 2009.

All applications for TCAP must be submitted in accordance with the instructions in Part VI of the TCAP Program Description. All applications must include the attached form and all additional

required documentation. Failure to provide documentation as noted or submission of incomplete, unclear, or inconsistent documentation will delay evaluation of your application.

DO NOT SUBMIT AN APPLICATION IN A BINDER OR SPIRAL BINDING. DO NOT USE DIVIDER PAGES OR COVER SHEETS TO INDICATE REQUIRED DOCUMENTATION. Label all required documentation directly on the document. Any deviations from this system will cause delays in processing your application.

Please submit an original application plus one copy.

After the September 28, 2009 application deadline has passed, THDA will begin reviewing the applications and, as necessary, contacting applicants for clarification. As early as October 5, 2009, THDA will begin to distribute conditional funding commitments to the highest scoring applications that do not require follow-up for clarification. As early as October 12, 2009, THDA will begin to distribute conditional funding commitments to applications that require follow-up for clarification and to lower-scoring applications and applications. It is our goal, to the extent practicable, to have the majority of the conditional funding commitments released by October 19, 2009, however, meeting this goal will depend on the timeliness of response to requests for additional information and/or clarification.

The conditional funding commitments will specify the information to be provided to THDA and the deadlines for providing such information in order to go forward with TCAP funding.

If you have questions, please contact:

Ed Yandell, Director of Multifamily Development
615/815-2142 or eyandell@thda.org

or

Judith Smith, Assistant Director of Multifamily Development
615/815-2143 or jsmith@thda.org

TENNESSEE HOUSING DEVELOPMENT AGENCY

TCAP Application



July 10, 2009

TENNESSEE HOUSING DEVELOPMENT AGENCY
TCAP Application

Date of Application: _____

1. Identifying Information

Development Name: _____

TN#: TN0___ - _____

2. Completion of Construction (Check a or b)

- a. Attached is a fully executed construction contract (in the form of AIA Document A101, 1997 Edition, Standard Form of Agreement Between Owner and Contractor, together with AIA Document A201 the Conditions of the Contract for Construction 1997 Edition) for the Development that provides for completion of construction by the following date (Check ONLY one):
- No later than 02/06/2012
 - No later than 12/31/2011
 - No later than 06/30/2011
 - No later than 02/28/2011
 - No later than 12/31/2010
- b. A construction contract for the Development has not been fully executed.

3. Equity Pricing (Check a, b or c)

- a. Attached is a fully executed syndication agreement that demonstrates that equity pricing for the tax credits awarded to the Development has closed at the following price (check ONLY one):
- At least \$0.600 up to \$0.649
 - At least \$0.650 up to \$0.699
 - \$0.700 and above
- b. Attached is a firm, executed equity commitment from an equity provider that demonstrates that equity pricing for the Tax credits awarded to the Development is expected to be as follows (check ONLY one):
- At least \$0.600 up to \$0.649
 - At least \$0.650 up to \$0.699
 - \$0.700 and above
- c. A syndicator or investor for the Tax Credits awarded to the Development has not been obtained.

4. Commencement of Construction (Check a, b, or c)

- a. The attached fully executed construction contract (in the form of AIA Document A101, 1997 Edition, Standard Form of Agreement Between Owner and Contractor, together with AIA Document A201 the Conditions of the Contract for Construction 1997 Edition) for the Development provides for commencement of construction no later than December 4, 2009.
- b. The attached fully executed construction contract (in the form of AIA Document A101, 1997 Edition, Standard Form of Agreement Between Owner and Contractor, together with AIA Document A201 the Conditions of the Contract for Construction 1997 Edition) for the Development provides for commencement of construction no later than December 4, 2009, AND building permits for the Development executed by the appropriate local government official that are in full force and effect are attached.
- c. Building permits have not yet been obtained for the Development.

5. Construction/Expenditure Schedule

Submit a complete Construction/Expenditure Schedule in the form attached to this Application Form.

6. Additional Funding (check a or b)

- a. The Development Owner is interested in seeking additional TCAP funding as specified in Part II.G.4 of the TCAP Program Description and acknowledges that if made available, such funding is subject to all TCAP requirements including, without limitation, all cross-cutting federal requirements described in Part III of the THDA TCAP Program Description dated July 2, 2009, as modified July 8, 2009.
- b. The Development Owner is not interested in seeking additional TCAP funding.

7. Application Certification

Submit two completed, fully executed and notarized Application Certifications, one on behalf of the Development Owner and one on behalf of the Developer, both in the form attached to this Application Form.

TCAP PRELIMINARY EXPENDITURE/CONSTRUCTION SCHEDULE

ACTIVITY	DATE COMPLETED OR SCHEDULED COMPLETION DATE (Insert month and year)
1. Creation of Ownership Entity	_____
2. Site Acquisition by Ownership Entity	_____
3. Financing	
a. Construction Loan	
Loan Application	_____
Conditional Commitment	_____
Firm Commitment	_____
b. Permanent Loan	
Loan Application	_____
Conditional Commitment	_____
Firm Commitment	_____
c. Other Loans & Grants	
Type & Source	_____
Application	_____
Award	_____
d. Other Loans & Grants	
Type & Source	_____
Application	_____
Award	_____
e. Other Loans & Grants	
Type & Source	_____
Application	_____
Award	_____
4. Completion of Plans/Specs/Working Drawings.....	_____
5. Execution of Construction Contract.....	_____
6. Obtain Building Permits.....	_____
7. Delivery of Materials	_____
8. Installation of Temporary Utilities.....	_____
9. Commencement of Site Work.....	_____
10. Completion of Site Work	_____
11. Commencement of Utility Work on Site	_____

DATE COMPLETED OR
SCHEDULED COMPLETION DATE
(Insert month and year)

ACTIVITY

-
12. Completion of Utility Work on Site..... _____
 13. Commencement of Foundation Work..... _____
 14. Completion of Foundation Work..... _____
 15. Commencement of Framing..... _____
 16. Completion of Framing..... _____
 17. Commencement of Roofing..... _____
 18. Completion of Roofing..... _____
 19. Commencement of Plumbing..... _____
 20. Completion of Plumbing..... _____
 21. Commencement of Electrical..... _____
 22. Completion of Electrical..... _____
 23. Commencement of HVAC..... _____
 24. Completion of HVAC..... _____
 25. Commencement of Drywall..... _____
 26. Completion of Drywall..... _____
 27. Completion of Finish Carpentry..... _____
 28. Completion of Painting..... _____
 29. Completion of Landscaping, Hardscape..... _____
 30. Completion of Amenities..... _____
 31. 100% Completion of Construction..... _____
 32. Obtain Certificates of Occupancy..... _____

PLEASE INDICATE ABOVE THE POINTS AT WHICH YOU ANTICIPATE
10%, 25%, 50%, 75% AND 100% EXPENDITURE OF TCAP FUNDING.

TCAP APPLICATION CERTIFICATION

Development Name: _____ (the "Development")

Development Owner: _____ (the "Development Owner")

Developer: _____ (the "Developer")

I, the undersigned, being duly sworn, hereby certify as follows:

1. Check one and complete:

I am _____ of the Development Owner identified above and identified in the TCAP Application being submitted to the Tennessee Housing Development Agency ("THDA") with this Certification.

OR

I am _____ of the Developer identified above and identified in the TCAP Application being submitted to the Tennessee Housing Development Agency ("THDA") with this Certification.

2. I have personal knowledge regarding the Development and the TCAP Application. I am familiar with requirements related to Low Income Housing Tax Credits ("Tax Credits") contained in the Internal Revenue Code of 1986, as amended (the "Code"), the U.S. Treasury Regulations promulgated in connection therewith (the "Regulations"), the Low-Income Housing Tax Credit Qualified Allocation Plan applicable to the Development (the "QAP"), and the requirements of the THDA Tax Credit Assistance Program (TCAP) 2009 Program Description dated July 2, 2009, as modified July 8, 2009 (the "TCAP Program Description").

3. I am duly authorized to execute this Certification, to attest to the certifications contained herein and to submit the TCAP Application, including this Certification, to THDA on behalf of the Development Owner.

4. I acknowledge and affirm to THDA as follows for the purpose of inducing THDA to provide TCAP funding to the Development:

a. The Development has received an award of Tax Credits, as the phrase "award of Tax Credits" is defined in Part IV.A.1 in the TCAP Program Description.

b. The Development contains buildings which are qualified low-income buildings under Section 42 of the Code and the Development otherwise meets all Section 42 requirements and the requirements of the relevant QAP.

c. The Development, Development Owner and Developer are eligible under applicable federal requirements and are in good standing with THDA and all applicable requirements.

d. The Development, Development Owner and Developer are in compliance with the reservation notice and/or carryover allocation agreement issued for the Development.

- e. The Development was not placed in service as of December 31, 2008 and was not required to meet placed in service requirements as of December 31, 2008.
 - f. The Development has met or will meet all applicable federal statutes and regulations including without limitation, all fair housing and non-discrimination requirements described in the relevant QAP. The Development has met or will meet all applicable federal statutes and regulations including without limitation, the cross cutting federal regulations described in Part III of the TCAP Program Description, to the extent TCAP funding is made available.
 - g. The Development, the Development Owner and the Developer meet and will continue to meet tax credit and financial feasibility requirements and all other requirements of Section 42 and the relevant QAP.
 - h. The Development Owner and Developer have made “good faith” efforts to secure an adequate equity commitment for the Development and will provide all documentation to THDA as THDA deems necessary, in its sole discretion, to support this certification. Development Owner and Developer acknowledge and agree that failure to satisfy THDA with respect to this “good faith” effort will result in ineligibility for TCAP funding and will result in denial, withdrawal or required repayment of TCAP funding. Development Owner and Developer further acknowledge and agree that THDA may contact any and all persons, as THDA deems necessary in its sole discretion, who may have knowledge or information about these “good faith” efforts including, without limitation, syndicators and/or equity investors.
 - i. The Development Owner and Developer have made “good faith” efforts to secure the maximum amount of private financing based on potential rents for the Development and will provide all documentation to THDA as THDA deems necessary, in its sole discretion, to support this certification. Development Owner and Developer acknowledge and agree that failure to satisfy THDA with respect to this “good faith” effort will result in ineligibility for TCAP funding and will result in denial, withdrawal or required repayment of TCAP funding. Development Owner and Developer further acknowledge and agree that THDA may contact any and all persons, as THDA deems necessary in its sole discretion, who may have knowledge or information about these “good faith” efforts including, without limitation, providers of private financing.
5. To the extent TCAP funding is made available for the Development, I further acknowledge and affirm to THDA as follows:
- a. The Tax credits awarded to the Development will or have been sold to an equity investor for a price no less than \$.60.
 - b. 75% of the TCAP funds will be expended, solely for eligible costs of the Development, no later than February 16, 2011.
 - c. 100% completion of construction for the Development will occur no later than February 16, 2012.
 - d. 100% of the TCAP funds will be expended, solely for eligible costs of the Development, no later than February 16, 2012.
 - e. No TCAP funding will be made available to the Development after February 16, 2012 or such earlier date as may be established by THDA.
 - f. TCAP funding that is unexpended as of February 16, 2012, will not, under any circumstances, be available for costs associated with the Development.

- g. All documentation, as THDA deems necessary, in its sole discretion, to support this certification will be provided to THDA.
 - h. Failure to satisfy THDA with respect to these certifications will result in ineligibility for TCAP funding and will result in denial, withdrawal or required repayment of TCAP funding.
 - i. THDA may contact any and all persons, as THDA deems necessary in its sole discretion, regarding this certification.
7. All of the requirements contained in the Code, the Regulations and the relevant QAP apply to the Development, Development Owner and Developer and such requirements have and will continue to be met.
8. I acknowledge and affirm each of the following:
- a. This Application will not be eligible for TCAP funding or an award of TCAP funding will be withdrawn if satisfactory information and/or materials are not supplied to THDA in accordance with the TCAP Program Description.
 - b. Any amount of TCAP funding made available is subject, in all respects, to (i) all requirements of the relevant QAP; (ii) all requirements of Section 42 of the Code and all Regulations; (iii) all requirements of the TCAP Program Description; and (iv) all federal statutes, rules, regulations and guidance related to TCAP funding.
 - c. THDA will evaluate the amount of Tax Credits and the amount of TCAP funding appropriate for the Development pursuant to the requirements of Section 42(m) of the Code. The amount of Tax Credits and the amount of TCAP funding, if any, in connection with the Development may be reduced, eliminated or recaptured as determined by THDA in its sole discretion.
 - d. Approval of TCAP funding by THDA is not a warranty or representation that the referenced Development meets Code requirements.
 - e. THDA has made no representations about the effect of TCAP funding upon my taxes or that of any other person connected with this Development.
 - f. Neither THDA nor any of its directors, officers, employees or agents are responsible or liable for any representations made in connection with the Tax Credit program or with the provision of TCAP funding.
 - g. I assume the risk of all damages, losses, costs, and expenses related to participation in the Tax Credit program, including the TCAP Program, and agree to indemnify and save harmless THDA and all of its directors, officers, employees and agents harmless against any and all claims, suits, losses, damages, costs and expenses (including all court costs and attorneys fees) of any kind and of any nature that THDA may hereinafter suffer, incur, or pay arising out of its decisions concerning Tax Credits, the TCAP Program or the use of information related to the Tax Credit program and the TCAP Program.
 - h. Any misrepresentations in any materials or documentation submitted to THDA to induce THDA to reserve or allocate Tax Credits or to provide TCAP funding for the Development may result in a reduction or withdrawal of Tax Credits and/or TCAP funding by THDA, a bar on future program participation, and/or notification of the Internal Revenue Service.

9. To the best of my knowledge and belief, the information contained in the TCAP Application, in any Attachments in support thereof, or documentation otherwise submitted to THDA in connection with the Tax Credit program, including TCAP is true, correct, and complete and is truly descriptive of the Development.

10. I acknowledge that Tennessee Code Annotated, Section 13-23-133, makes it a Class E felony for any person to knowingly make, utter or publish a false statement of substance for the purpose of influencing THDA to allow participation in any of its programs, including the Low Income Housing Tax Credit Program, and the TCAP Program. I further acknowledge that the statements contained in the TCAP Application, all relevant Attachments and this Statement are statements of substance made for the purpose of influencing THDA to provide TCAP funding to the Development described in the TCAP Application of which this Statement is a part.

DEVELOPMENT OWNER:

Date: _____

By: _____
(signature or name if not an individual)

(print or type name)

(title)

By: _____
(signature or name if not an individual)

(print or type name)

(title)

STATE OF _____)

COUNTY OF _____)

Before me, _____, a Notary Public of the state and county mentioned, personally appeared _____, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged herself/himself to be a/the _____ of _____, the within named bargainor, and that she/he, as such _____, executed the foregoing instrument for the purpose therein contained, by signing the name of the _____ by herself/himself as _____.

Witness my hand and seal, at office, this _____ day of _____, 2009.

Notary Public

My Commission Expires: _____

DEVELOPER:

Date: _____

By: _____
(signature or name if not an individual)

(print or type name)

(title)

By: _____
(signature or name if not an individual)

(print or type name)

(title)

STATE OF _____)

COUNTY OF _____)

Before me, _____, a Notary Public of the state and county mentioned, personally appeared _____, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged herself/himself to be a/the _____ of _____, the within named bargainor, and that she/he, as such _____, executed the foregoing instrument for the purpose therein contained, by signing the name of the _____ by herself/himself as _____.

Witness my hand and seal, at office, this _____ day of _____, 2009.

Notary Public

My Commission Expires: _____