

**ATTACHMENT A
2012 RESERVATION
FEDERAL LOW INCOME RENTAL HOUSING
TAX CREDIT PROGRAM
CARRYOVER ALLOCATION REQUIREMENTS**

PART I

The following requirements must be received by the Agency by **July 20, 2012**:

- 1) The original Carryover Agreement must be executed by the Owner no later than July 13, 2012. The taxpayer identification number for the taxpayer executing the Agreement is required for a valid Carryover Agreement. A copy of the IRS letter assigning the EIN must be provided. Please note that the taxpayer executing the Agreement must be the party that will meet the 10% of basis expenditure test by July 31, 2013.
- 2) The executed "Owner Certification of Property Identification" Form (Exhibit "A") with either a) the current deed(s) which indicate that the taxpayer is the owner of all buildings and land in the development, or b) an extended lease agreement. All documents must be fully executed.

Please note: In the event that property is not conveyed through a deed or lease, the Agency may, in its sole discretion, accept 1) an Attorney's Opinion Letter or a Certified Public Accountant Letter that certifies that the owner has carryover allocation basis for the development pursuant to the Code, or 2) an owner's certification which includes sufficient identification of the property (i.e. legal descriptions, surveys, title insurance) to assign building identification numbers. In making this certification, the owner accepts full responsibility for all discrepancies, errors or omissions of properties.

- 3) In the event the property is not owned by the taxpayer, evidence of site control through July 31, 2013 must be provided including evidence of payment of all extension fees. Please be advised that ownership by the taxpayer for all properties in the development is required by **July 31, 2013** and must be submitted with the 10% package due **August 14, 2013**.
- 4) The Settlement Statement(s) must be provided for each building or parcel of land in the development, and must be appropriately executed. Evidence must also be provided that the deed was recorded.
- 5) If the property(s) was purchased through a Purchase Money Mortgage, a copy of the mortgage note must be provided.
- 6) Remittance of the Carryover Allocation Fee of \$1,000 made payable to Pennsylvania Housing Finance Agency.

PART II

The following requirements must be fulfilled no later than **July 31, 2013** and received by the Agency by **August 14, 2013**:

- 1) Financial Characteristics Forms (Exhibit "B"). Please note that these forms should reflect current numbers and information.
- 2) For developments with commercial space or space that is a separate condominium, provide a Sources and Uses Statement for the commercial space.
- 3) Updated financing letters. If closing on the loan has already occurred, provide a copy of the executed mortgage note(s) in lieu of the updated letter. The updated financing letters or notes must be provided for all sources of financing shown on the application, including bridge loan if applicable. **Do not send copies of the actual mortgages.**
- 4) Updated syndication letter, or, if it exists, executed partnership agreement signed by the tax credit investor.

- 5) Certification of Subsidies.
- 6) The executed "Owner's Certification of Costs Incurred" Form (Exhibit "C") including either "a" or "b" shown below.
 - a. For developments with 6 units or more, the owner's certification must be audited by an independent, third party, certified public accountant (CPA). A sample form is enclosed as Exhibit "D", Independent Auditors' Report.
 - b. For developments with 5 units or less, in lieu of the certified public accountant's audit, the taxpayer may provide evidence of costs incurred in the form of copies of checks, receipts, or other records of payment. These items must total the amount indicated as expended on the "Owner's Certification of Costs Incurred."
- 7) Independent Auditor's Report (Exhibit "D").
- 8) Copy of the executed Developer's Fee Agreement (Development Services Agreement). Be sure that the Agreement stipulates the fee earned through July 31, 2013 to incur costs for inclusion in the 10% of basis expenditures test.
- 9) Syndicator/Investor Certification – If the Developer's Fee included in the 10% of basis expenditure test exceeds 20% of the total Developer's Fee, the syndicator and/or investor must certify that the percentage claimed by the accountant is a percentage acceptable to them. The letter must refer to the percentage and the amount of the Developer's Fee that is acceptable as part of the 10% of basis expenditure test. Note, however, that if a development has closed on all of the construction loans and construction is underway, a certification from the syndicator/investor is not required.
- 10) Copy of the recorded deed demonstrating transfer of ownership to owner for each building and/or parcel of land that is part of the development OR a copy of the executed extended lease agreement, if not previously submitted.
- 11) Copy of the executed Settlement Statement for each building and/or parcel of land included in the development, if not previously submitted.
- 12) The Architect's Certification of Compliance With Design Requirements for Accessible Housing, (Exhibit "E") must be executed by the Architect and taxpayer.
- 13) Original executed and recorded Restrictive Covenant Agreement.
- 14) If the General Contractor was not selected when the initial application was approved, the General Contractor must now be identified and submission of qualifications must be submitted for review and approval by the Agency.
- 15) Development Information Form (Exhibit "F").
- 16) In accordance with the Agency's Accessible Unit Policy, if your application was awarded points for providing accessible units provide a list of community agencies that you will partner with to identify persons with disabilities who are searching for accessible units.

FAILURE TO MEET ALL OF THE ABOVE REQUIREMENTS WILL RESULT IN AN IMMEDIATE RECAPTURE OF THE 2012 TAX CREDIT RESERVATION. THE AGENCY WILL NOT EXTEND THE JULY 13, 2012 OR JULY 31, 2013 DEADLINE DATES. THERE WILL BE NO EXCEPTIONS TO THIS POLICY.

EXHIBIT "A"

CARRYOVER ALLOCATION REQUIREMENTS

(SAMPLE FORM - to be submitted on taxpayer's letterhead)

**OWNER
CERTIFICATION
OF
PROPERTY IDENTIFICATION**

I hereby represent and certify that as of _____
_____ has ownership or leasehold interest to the properties identified below and have attached evidence. Documentation evidencing ownership will include deeds, or executed lease, and settlement statements for each property contained in the development.

The undersigned acknowledges that the Agency is relying on this certification in making a Carryover Allocation of 2012 Federal Low Income Housing Tax Credits and accepts full responsibility of all discrepancies, errors or omission of properties. The owner understands that an omission of a property which is intended to be part of the Tax Credit development from this certification will render this property ineligible for Tax Credits. Furthermore, this certification is made under penalty of perjury and is supported by appropriate documentation.

Signature Date

Typed or Printed Name

Title

Owner Name

Owner Address

List all building addresses and/or land that are included in this development. Please note, this description must agree with the description shown on the Carryover Allocation Agreement.

EXHIBIT "B"

FINANCIAL CHARACTERISTICS FORM

A. FEDERAL SUBSIDIES/GRANTS

1. Federal Subsidies

- a. Is any portion of the eligible basis of the building(s) financed or to be financed with federal subsidies? Yes No

If yes, state the amount:

_____ Tax-Exempt Financing
_____ Rural Housing Services Financing
_____ Community Development Block Grant (CDBG) Financing
_____ Home Investment Partnership (HOME) Financing
_____ Other (specify): _____

- b. How is the subsidy to be used?

(1) Loan below AFR _____ (4) Acquisition* _____
(2) Loan at or above AFR _____ (5) Operating subsidy _____
(3) Grant (see 2 below) _____ (6) Other _____

- c. Did this project receive federal assistance in any prior year? Yes No

Date _____ Type _____ Amount _____

* **PLEASE NOTE:** Loan document(s) must specify that the funds are only to be used for the acquisition of the property(s). A copy of the document(s) must be provided.

2. Grants

- a. Is (are) the building(s) the subject of federal, state, local, nonprofit or private grants which are not repayable? Yes No

Amount of grant(s): \$ _____ Source _____
\$ _____ Source _____
\$ _____ Source _____

Is the grant to be used for acquisition costs? Yes No

- b. Is the source of any loan to the development a federal, state, local or private grant?
Yes No

If yes, state source of grant and term of the loan(s):

\$ _____ Source _____
\$ _____ Source _____
\$ _____ Source _____

B. SOURCES OF FUNDS

List all sources of financing.

1. Construction Financing

| <u>Source of Funds</u> | <u>Amount</u> | <u>Rate & Term of Loan</u> | <u>Debt Svc Pmt.</u> |
|-------------------------------|---------------|------------------------------------|--------------------------|
| ① _____ | \$ _____ | _____ | \$ _____ |
| ② _____ | \$ _____ | _____ | \$ _____ |
| ③ _____ | \$ _____ | _____ | \$ _____ |
| ④ _____ | \$ _____ | _____ | \$ _____ |
| ⑤ _____ | \$ _____ | _____ | \$ _____ |
| ⑥ _____ | \$ _____ | _____ | \$ _____ |
| Total Construction Financing: | | \$ _____ | |

2. Permanent Financing

| Annual Debt | | | |
|----------------------------|---------------|------------------------------------|--------------------------|
| <u>Source of Funds</u> | <u>Amount</u> | <u>Rate & Term of Loan</u> | <u>Debt Svc Pmt.</u> |
| ① _____ | \$ _____ | _____ | \$ _____ |
| ② _____ | \$ _____ | _____ | \$ _____ |
| ③ _____ | \$ _____ | _____ | \$ _____ |
| ④ _____ | \$ _____ | _____ | \$ _____ |
| ⑤ _____ | \$ _____ | _____ | \$ _____ |
| ⑥ _____ | \$ _____ | _____ | \$ _____ |
| Total Permanent Financing: | | \$ _____ | |

C. CREDIT ENHANCEMENT

- a. Is the development receiving FHA mortgage insurance? Yes No
 HUD Insurance Number _____
- b. Is the development receiving other credit enhancement? Yes No
 PHFA
 Risk Sharing
 Other (describe)_____

D. SYNDICATION INFORMATION

| Type of Credit | Anticipated Credits | Investment Per Credit | Gross Investment |
|-----------------------|---------------------|-----------------------|------------------|
| Low Income Housing | | | |
| Historic Rehab | | | |
| State Enterprise Zone | | | |
| Market Rent Units | | | |
| TOTAL | | | |

- a. Type of syndication offering: Public Private
- b. Type of investors: Individuals Corporation

c. Syndicator _____
 (FIRM)

 (CONTACT PERSON)

 (STREET)

 (CITY, STATE, AND ZIP)

() _____ () _____
 (PHONE NUMBER) (FAX NUMBER)

- d. Is bridge loan financing required? Yes No

If yes, state name of lender, amount of loan, rate and term of loan, and name and telephone number of contact person:

E. DEVELOPMENT INFORMATION

Number of Dwelling Units: _____
Low Income Units: _____
Market Rate Units: _____
Manager's Unit: _____

Breakdown by Unit Size:
0 Bedrooms _____
1 Bedroom _____
2 Bedrooms _____
3 Bedrooms _____
4 Bedrooms _____
5 Bedrooms _____

F. DEVELOPMENT BUDGET

| | 1 | 2 | 3 |
|---|-----------------|---------------------------------|--|
| | Actual Costs | Basis for Acquisition Credit | Basis for Rehab/New Construction Credit |
| 1. CONSTRUCTION COSTS (from Statement of Probable Const. Costs) | | | |
| a. General Requirements (Div. 1) | _____ | | _____ |
| b. Building Demolition | _____ | | _____ |
| c. Selective Demolition | _____ | | _____ |
| d. Site Work | _____ | | _____ |
| e. Offsite Improvements | _____ | | _____ |
| f. Subtotal Site Work (Div. 2) | _____ | | _____ |
| g. Structure (Div. 3 to 16) | _____ | | _____ |
| h. Builder's Overhead | _____ | | _____ |
| i. Builder's Profit | _____ | | _____ |
| j. Bond Premium | _____ | | _____ |
| k. Building Permit | _____ | | _____ |
| l. Construction Contingency | _____ | | _____ |
| m. Other | _____ | | _____ |
| n. Total | \$ _____ | | \$ _____ |
| 2. FEES | | | |
| a. Architect Fee-Design (____% of \$_____) | _____ | | _____ |
| b. Architect Fee-Admin (____% of \$_____) | _____ | | _____ |
| c. Legal | _____ | _____ | _____ |
| d. Engineering | _____ | _____ | _____ |
| e. Survey | _____ | _____ | _____ |
| f. Soils/Structural Report | _____ | _____ | _____ |
| g. Environmental Audit | _____ | _____ | _____ |
| h. Energy Audit/Testing | _____ | _____ | _____ |
| i. Property Appraisal | _____ | _____ | _____ |
| j. Market Study | _____ | _____ | _____ |
| k. Credit Report | _____ | _____ | _____ |
| l. Cost Certification | _____ | _____ | _____ |
| m. Other | _____ | _____ | _____ |
| n. Total | \$ _____ | \$ _____ | \$ _____ |
| 3. MISC. DEVELOPMENT CHARGES | | | |
| a. Multifamily Housing Application Fee | _____ | | _____ |
| b. Loan Program Closing Fee | _____ | | _____ |
| c. Tax Credit Reservation & Allocation Fees | _____ | | _____ |
| d. Furnishings (Common Area) | _____ | | _____ |
| e. Rent-up Expenses | _____ | | _____ |
| f. Relocation | _____ | | _____ |
| g. Utility Tap in, Hook-up & Municipal Fees | _____ | _____ | _____ |
| h. Subsidy Layering Review Fee | _____ | _____ | _____ |
| i. Other | _____ | _____ | _____ |
| j. Total | \$ _____ | \$ _____ | \$ _____ |

| | 1 | 2 | 3 |
|--|-----------------|---------------------------------|--|
| | Actual Costs | Basis for Acquisition Credit | Basis for Rehab/New Construction Credit |
| 4. CONSTRUCTION & FINANCING CHARGES | | | |
| a. Construction Loan Interest | _____ | _____ | _____ |
| b. Construction Loan Origination Fee | _____ | _____ | _____ |
| c. Construction Loan Credit Enhancement | _____ | _____ | _____ |
| d. Construction Loan Application Fee | _____ | _____ | _____ |
| e. Taxes During Construction | _____ | _____ | _____ |
| f. Insurance During Construction | _____ | _____ | _____ |
| g. Title Insurance | _____ | _____ | _____ |
| h. Recording | _____ | _____ | _____ |
| i. Construction Servicing Fee | _____ | _____ | _____ |
| j. Other | _____ | _____ | _____ |
| k. Total | \$ _____ | \$ _____ | \$ _____ |
| 5. PERMANENT FINANCING | | | |
| a. Permanent Loan Origination Fee | _____ | | |
| b. Permanent Loan Credit Enhancement | _____ | | |
| c. Cost of Issuance/Underwriters Discount | _____ | | |
| d. Other | _____ | | |
| e. Total | \$ _____ | | |
| 6. LAND & BUILDING PURCHASE | | | |
| a. Acquisition of Land | _____ | | |
| b. Acquisition of Existing Structures | _____ | _____ | |
| c. Acquisition Legal Fees | _____ | _____ | |
| d. Closing Costs | _____ | _____ | |
| e. Demolition of Existing Structures | _____ | _____ | |
| f. Other | _____ | _____ | |
| g. Total | \$ _____ | \$ _____ | |
| 7. REPLACEMENT COST | \$ \$ | \$ | |
| (Total Sections 1-6) | | | |
| 8. DEVELOPMENT RESERVES | | | |
| a. Operating Reserve | _____ | | |
| b. Transformation Reserve | _____ | | |
| c. Rental Subsidy Fund | _____ | | |
| d. Development Contingency Fund (DCF) | _____ | | |
| e. Real Estate Taxes (first year escrow) | _____ | | |
| f. Insurance (first year escrow) | _____ | | |
| g. Supportive Services Escrow | _____ | | |
| h. Other | _____ | | |
| i. Total | \$ _____ | | |
| 9. DEVELOPER'S FEE & OVERHEAD | | | |
| a. Rehabilitation/New Construction | _____ | | _____ |
| b. Acquisition (less land) | _____ | _____ | |
| c. Additional Fee for Subsidies | _____ | _____ | _____ |

| d. | Total | \$ | \$ | \$ |
|--|--------------|---------------------|---|--|
| | | 1 | 2 | 3 |
| | | Actual Costs | Basis for Acquisition Credit | Basis for Rehab/New Construction Credit |
| 10. SYNDICATION FEES & EXPENSES | | | | |
| a. Organizational | | | | |
| b. Bridge Loan Interest During Construction | | | | |
| c. Bridge Loan Interest After Construction | | | | |
| d. Bridge Loan Fees & Expenses | | | | |
| e. Legal Fees | | | | |
| f. Accountant's Fees | | | | |
| g. Other | | | | |
| h. Total | | \$ | | \$ |
| 11. OTHER | | | | |
| a. Tax Credit Compliance Monitoring Fee | | | | |
| b. Other | | | | |
| c. Total | | \$ | | |
| 12. TOTAL DEVELOPMENT COST (Sections 7-11) | | \$ | \$ | \$ |
| 13. If Tax Credits will be issued on other than Eligible Basis, such as Maximum Basis, enter the number here. | | | | \$ |
| Less portion of any grant or federal subsidy not to be included in Basis | | (\$) | | (\$) |
| Less amount of non-qualified non-recourse financing | | (\$) | | (\$) |
| Less amount of costs for commercial space or for any areas that tenants will be charged to use | | (\$) | | (\$) |
| Less non-qualifying unit costs for higher quality items | | | | (\$) |
| Less historic tax credit (residential portion) | | | | (\$) |
| 14. ELIGIBLE BASIS | | | \$ | \$ |
| 15. HIGH COST AREA (if applicable) | | | | |
| 16. TOTAL ELIGIBLE BASIS | | | \$ | \$ |
| 17. APPLICABLE FRACTION | | | % | % |
| 18. TOTAL QUALIFIED BASIS | | | \$ | \$ |
| 19. APPLICABLE PERCENTAGE | | | % | % |
| 20. TOTAL TAX CREDITS REQUESTED | | | | |

EXHIBIT "C"

OWNER'S CERTIFICATION OF COSTS INCURRED

Development Name: _____

Development No.: _____

Owner: _____

Date of Reservation: _____

| | * Latest Budget Approved by PHFA | ** Reasonably Expected Basis (REB) | Cost Incurred no later than July 31, 2013 |
|------------------------------|---|---|--|
| 1. Construction Costs | | | |
| General Requirements | | | |
| Building Demolition | | | |
| Selective Demolition | | | |
| Site Work | | | |
| Offsite Improvements | | | |
| Structures (Div. 3 – 16) | | | |
| <u>Subtotal</u> | | | |
| Builder's Overhead | | | |
| Builder's Profit | | | |
| Bond Premium | | | |
| Building Permit | | | |
| Construction Contingency | | | |
| Other: | | | |
| Total | | | |
| 2. Fees | | | |
| Arch Fee - Design | | | |
| Arch Fee- Admin | | | |
| Legal | | | |
| Engineering | | | |
| Survey | | | |
| Soils/Structural Report | | | |
| Environmental Audit | | | |
| Energy Audit/Testing | | | |
| Property Appraisal | | | |
| Market Study | | | |
| Credit Report | | | |
| Cost Certification | | | |
| Other: | | | |
| Total | | | |

| | * Latest Budget Approved by PHFA | ** Reasonably Expected Basis (REB) | Cost Incurred no later than July 31, 2013 |
|--|---|---|--|
| 3. Miscellaneous Project Charges | | | |
| Application Fees | | | |
| Loan Program Closing Fee | | | |
| Tax Credit Res./Alloc. Fees | | | |
| Furnishings (Common Area) | | | |
| Rent-Up Expenses | | | |
| Relocation | | | |
| Tap-In, Hook-Up, Municipal Fees | | | |
| Subsidy Layering Review Fee | | | |
| Other: | | | |
| Total | | | |
| 4. Construction & Financing Charges | | | |
| Construction Loan Interest | | | |
| Construction Loan Orig Fee | | | |
| Const Loan Credit Enhancement | | | |
| Construction Loan App Fee | | | |
| Taxes During Construction | | | |
| Insurance During Construction | | | |
| Title Insurance | | | |
| Recording | | | |
| Construction Servicing Fee | | | |
| Other: | | | |
| Total | | | |
| 5. Permanent Financing | | | |
| Permanent Loan Org. Fee | | | |
| Perm Loan Credit Enhancement | | | |
| Cost of Issuance/Underwriter's Disc. | | | |
| Other: | | | |
| Total | | | |
| 6. Land and Building Purchase | | | |
| Acquisition of Land | | | |
| Acquisition of Existing Structures | | | |
| Acquisition Legal Fees | | | |
| Closing Costs | | | |
| Demo of Existing Structures | | | |
| Other: | | | |
| Total | | | |

| | * Latest Budget Approved by PHFA | ** Reasonably Expected Basis (REB) | Cost Incurred no later than July 31, 2013 |
|---|---|---|--|
| 7. Development Reserves | | | |
| Operating Reserve | | | |
| Transformation Reserve | | | |
| Rental Subsidy Fund | | | |
| Development Contingency Fund | | | |
| Real Estate Taxes (first year) | | | |
| Insurance (first year escrow) | | | |
| Supportive Services Escrow | | | |
| Other: | | | |
| Total | | | |
| 8. Developer's Fee & Overhead | | | |
| Rehab./New Construction | | | |
| Acquisition less Land | | | |
| Additional Fee for Subsidies | | | |
| Total | | | |
| 9. Syndication Fees & Expenses | | | |
| Organizational | | | |
| Bridge Loan Int. During Const | | | |
| Bridge Loan Int. After Const | | | |
| Bridge Loan Fees & Expenses | | | |
| Legal Fees | | | |
| Accountant's Fees | | | |
| Other | | | |
| Total | | | |
| 10. Other | | | |
| Tax Credit Monitoring Fee | | | |
| Other: | | | |
| Other: | | | |
| Total | | | |
| 11. TOTAL DEVELOPMENT COSTS | | | |
| | | % of REB | % |

* Must agree with most current worksheet approved by either the Tax Credit Department or Development Division of PHFA.

** Must reflect current estimate of Reasonably Expected Basis.

(Prepare on Owner's Letterhead)

OWNER'S CERTIFICATION OF COSTS INCURRED

I hereby represent and certify that as of _____ (date) _____, (owner name) _____ has incurred more than 10% of the reasonably expected basis in the _____ (development name) _____ as represented above. _____ (owner name) _____ has accumulated carryover allocation basis of at least \$ _____ in the _____ (development name) _____ representing _____% of the reasonably expected total basis in the development of \$ _____.

This certification is made under penalty of perjury and is supported with appropriate documentation. This certification is part of the requirements for obtaining a Carryover Allocation of 2012 Federal Low-Income Housing Tax Credits.

Signature

Date

Typed or Printed Name

Title

Owner Name

Owner Address

EXHIBIT "D"

**INDEPENDENT AUDITOR'S REPORT
SAMPLE**

Date:

To: Pennsylvania Housing Finance Agency
211 North Front Street
Harrisburg, PA 17101

And

Owner Name
Street
City, State, Zip Code

Re: Project Name and Tax Credit Number

We have examined the accompanying Owner's Certification of Cost Incurred ("Exhibit C") for (the "Project") as of _____. Exhibit "C" is the responsibility of the Owner and the Owner's management. Our responsibility is to express an opinion on Exhibit "C" based on our examination.

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

The accompanying Exhibit "C" was prepared in conformity with the accounting practices prescribed by the Internal Revenue Service under the accrual method of accounting, and by the Pennsylvania Housing Finance Agency, which is a comprehensive basis of accounting other than generally accepted accounting principles.

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

In our opinion, Exhibit "C" referred to above presents fairly, in all material respects, costs incurred for the Project as of _____, on the basis of accounting described above.

In addition to examining Exhibit "C" we have, at your request, performed certain agreed upon procedures, as enumerated below, with respect to the Project. These procedures, which were

agreed to by the Owner and the Pennsylvania Housing Finance Agency, were performed to assist you in determining whether the development has met the 10% test in accordance with Internal Revenue Code Section 42(h)(1)(E) and Treasury Regulation Section 1.42-6. These agreed-upon procedures were performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representations regarding the sufficiency of the procedures below either for the purpose for which this report has been requested or for any other purpose.

We performed the following procedures:

- We calculated, based on estimates of total development costs provided by the Owner, the project's total reasonably expected basis, as defined in Treasury Regulation Section 1.42-6, to be \$ _____ as of _____, 2013.
- We calculated the reasonably expected basis incurred by the Owner as of _____ to be \$ _____.
- We calculated the percentage of the development fee incurred by the Owner as of _____ to be ____% of the total development fee.
- We compared the reasonably expected basis incurred as of _____ to the total reasonably expected basis of the Project, and calculated that ____% had been incurred as of _____.
- We determined that the Owner uses the accrual method of accounting, and has not included any construction costs in carryover allocation basis that have not been properly accrued.
- Based on the amount of total reasonably expected basis listed above, for the Owner to meet the 10% test in accordance with Internal Revenue Code Section 42(h)(1)(E) and Treasury Regulation Section 1.42-6, we calculated that the Development needed to incur at least \$ _____ of costs prior to _____. As of _____, costs of at least \$ _____ had been incurred, which is approximately ____% of the total reasonably expected basis of the Project.

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

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

Signature

Date

EXHIBIT "E"

**ARCHITECT'S CERTIFICATION OF COMPLIANCE WITH DESIGN
REQUIREMENTS FOR ACCESSIBLE HOUSING**

Development Name: _____

Check Appropriate: New Construction
 Substantial Rehabilitation
 Moderate Rehabilitation

Townhouse Elevator
 Walkup Apartments Non-Elevator

To the best of my knowledge and belief I certify that the referenced development has been or will be constructed in conformance with the following rules and regulations as they apply to this development and as amended by Federal, State and local authorities.

CHECK ALL THAT APPLY

APPLICABLE

- The Fair Housing Act of 1988
 Fair Housing Accessibility Guidelines _____
 - ANSI A117.1 (2003) _____
 - Pennsylvania Uniform Construction Code _____
 - Uniform Federal Accessibility Standard (UFAS)
 of the Architectural Barriers Act of 1968 _____
 - Section 504 of the Rehabilitation Act of 1973 _____
 - Americans with Disabilities Act
 Accessibility Guidelines (ADAAG) _____
 - Any Other State or Local Code or regulations pertaining
 to design or inclusion of rental housing
 accessibility features _____
- (Include name of locality and citation for applicable requirements)

In reference to the preceding, I hereby further certify as follows:

The development contains a total of _____ rental dwelling units. Of this total, _____ units are or will be accessible (as set forth in 24 CFR Part 8). Of this total, _____ units have been designed and have been or will be constructed to be adaptable as defined in _____.

Of this total, _____ units have been designed and have been or will be constructed to include features for individuals with hearing or vision impairment as defined in _____.

ARCHITECT

Signed: _____ Date: _____

(to be signed by authorized officer of design architect firm)

By: _____
Name & Title (please print)

Architectural Firm

OWNER

Acknowledged and Accepted by OWNER

Signed: _____ Date: _____

By: _____
Name & Title (please print)

Owner

EXHIBIT "F"

DEVELOPMENT INFORMATION

A. PROPERTY NAME : _____

PHFA No. (If applicable) _____ **TC No.** _____

ON-SITE MANAGER

Name: _____

Address: _____

Phone: _____

Email: _____

OFF-SITE MANAGEMENT COMPANY

Name: _____

Address: _____

Phone: _____

Email: _____

B. UNIT BREAKDOWN

| No. of Bedrooms | No. of Units | Monthly Rent | Additional Utility Cost * | Total Housing Cost | Indicate Low-Income or Market Rate Unit | Targeted Income Level |
|-----------------|--------------|--------------|---------------------------|--------------------|---|-----------------------|
| | | | | | | |
| | | | | | | |
| | | | | | | |
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| | | | | | | |
| | | | | | | |
| | | | | | | |

Reminder: You are required to list your site on the PAHousingSearch.com at the time of rent-up.

***Actual or Allowance, if utilities are paid by tenant.**