



APPENDIX A APPLICATION INSTRUCTIONS

4% Tax-Exempt Bond Financed LIHTC Application Submission

Applicants for Low-Income Housing Tax Credits (LIHTC) under the 4% Housing Tax Credit Program shall be required to submit an electronic Project Overview through the on-line Application to initiate discussion with IFA regarding the Tax-Exempt Bond process to determine whether IFA will be the conduit tax-exempt bond issuer or the bond issuer and mortgagee through the Multifamily Loan Program. During this time, an Applicant may work on the 4% LIHTC on-line Application; however, it cannot be submitted until an Applicant knows whether IFA will be the conduit tax-exempt bond issuer or the bond issuer and mortgagee of the Project through the Multifamily Loan Program. IFA will send an email notification to the Applicant if the bond application submission is required through the on-line Application.

1. If seeking mortgage insurance through the Federal Housing Administration (FHA), or credit enhancement from another source, the Applicant shall submit the on-line Application after the FHA or the credit enhancer has approved a preliminary mortgage amount.
2. To initiate the 4% on-line Application, a summary of the proposed Project shall be submitted to IFA and Applicant shall contact the IFA Multifamily Loan Program staff for review of the information and to assist the Applicant with the process.
3. If IFA is the conduit issuer of the tax-exempt bonds, the Applicant shall submit the Economic Development Bond Application and fees through the on-line Application.
4. Applications may be submitted at any time using the on-line Application; however, Applications submitted during the 9% LIHTC Application round may not be reviewed until April due to the 9% LIHTC Application review process.
5. Only complete Applications shall be submitted. A Project shall satisfy all of the underwriting and threshold requirements of the 4% Qualified Allocation Plan (QAP).
6. Once submitted to IFA, the Application will be unavailable to the Applicant until such time that the Applicant needs to make a change per IFA's request. The Application will then be available to the Applicant for such changes.
7. If the Owner will be electing to fix the applicable tax credit percentage for the month in which the bonds are issued, make the election on the Ownership Entity Tab and submit the IFA-Required Form, Exhibit 20T – Tax Credit Rate Election. The form shall be completed, signed, notarized, and received by IFA no later than the (5th) day following the end of the month in which the bonds are issued per IRS Section 42(b)(2)(A)(ii)(II).
8. If the Owner will be electing the Placed-in-Service date for the Gross Rent floor rather than IFA's determination letter for the Gross Rent Floor, make election on the Ownership Entity Tab and submit the IFA-Required Form, Exhibit 21T. The form shall be submitted prior to any building's Placed-in-Service Date.
9. Generally, bonds need to stay in place at least through submission of the IRS Form 8609 Application package.

*REMINDER: Per QAP Section 5.2 – Binding Obligations, the representations made in the Application shall bind the Applicant and shall become a contractual obligation of the Developer and the Ownership Entity and any Entity the Developer or the Ownership Entity is representing in the presentation of the Application or a successor in interest in the event Tax Credits are awarded to a proposed Project.