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| **Multifamily Housing Development Programs**  **Low-Income Housing Tax Credit Program**    **QUALIFIED CONTRACT REQUEST PROCESS HANDBOOK**  Effective: November 1, 2006  Updated: May 1, 2018 |
| Maryland Department of Housing and Community Development  Community Development Administration  7800 Harkins Road  Lanham, Maryland 20706  (301) 429-7854 Phone  (800) 543-4505 Toll Free  (800) 735-2258 TTY  dhcd.maryland.gov |
| Lawrence J. Hogan Jr., Governor  Boyd K. Rutherford, Lt. Governor  Kenneth C. Holt, Secretary  Tony Reed, Deputy Secretary |

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## Introduction

The Community Development Administration (CDA), an agency in the Division of Development Finance of the Maryland Department of Housing and Community Development (DHCD), has developed this Qualified Contract Process Handbook to administer requests from Owners planning to submit a request for a Qualified Contract under the Tax Credit Program pursuant to the Internal Revenue Code §42(h)(6).

Properties allocated federal low income housing tax credits by CDA beginning in calendar year 1990 are eligible to enter into the Qualified Contract Request Process any time after the end of year 14 of the Compliance Period, unless the Owner voluntarily deferred or waived that right.

Owners must notify CDA through a letter of intent using the prescribed form of their desire to sell the project using this Process. Once a complete File for a Qualified Contract has been received and approved by CDA, CDA has one year to obtain a bona fide offer from a Qualified Purchaser at a price equal to or above the Qualified Contract Price.

The process to obtain a Qualified Contract has four general parts (see Exhibit 1 on the following page):

1. The filing of an initial Notice of Intent (Attachment A) by the Owner;
2. The submission of Part I of the Qualified Contract Request (Attachment B) including the proposed Qualified Contract Price (Attachment D) by the Owner;
3. The submission of Part II of the Qualified Contract Request (Attachment C) by the Owner; and
4. The presentation of a bona fide offer to the Owner by CDA.

## Exhibit 1: A Step-by-Step Guide to the Qualified Contract Process

|  |  |
| --- | --- |
| **Step** | **Form Used** |
| 1. After December 31 of the 14th year of the Compliance Period, Owner submits the Notice of Intent. | Attachment A |
| 1. Administration issues written response to Owner (within 30 days). |  |
| 1. Owner submits the QC Request, Part I. | Attachment B & Attachment D |
| 1. Administration issues written response to Owner (within 60 days). |  |
| 1. Owner submits the QC Request, Part II. | Attachment C |
| 1. Administration issues a letter to Owner either (i) requesting clarification or more documentation, or (ii) that the 1YP has commenced (within 30 days). |  |
| 1. Upon commencement of 1YP, Administration seeks a bona fide offer (1 year). |  |

## Exhibit 2: Qualified Contract Process Flow Chart

Submit Notice of Intent to CDA (Attachment A)

CDA gives written permission to Owner that it may begin the QC Process.

If the project is ineligible, CDA will send a letter to the Owner with explanation.

Owner submits QC Request Form, Part I (Attachment B) and QC Price Worksheets (Attachment D)

CDA may request additional information

CDA sends Owner the QC Price in writing.

Owner submits QC Request Form, Part II

(Attachment C)

CDA sends Owner a letter indicating the File is complete and states the date the 1YP begins.

CDA begins marketing the Project.

CDA provides a bona fide offer from a Qualified Purchaser at or above the QC Price.

CDA fails to provide an offer at or above the QC Price within the 1YP.

Offer is presented to Owner who has 60 days to execute the agreement.

Project may convert to market rents, subject to the 3 year tenant protection period.

Either the Owner rejects the offer or the project is sold to the Qualified Purchaser; in either case, the project remains restricted under the terms of the ELIHC.

## Definitions

Community Development Administration, CDA or Administration – An agency in the Division of Development Finance of the Department of Housing and Community Development which administers the process.

Compliance Period – The initial 15 year tax credit period as defined in §42(i)(1) of the Code and as set forth in the Covenant.

Department – The Department of Housing and Community Development, a principal agency of the State of Maryland.

Extended Use Period – The minimum 15 year period following the Compliance Period as required by §42(h)(6)(D) of the Code and as set forth in the Covenant.

Extended Low-Income Housing Covenant or Covenant – The agreement between the Owner and CDA required by §42(h)(6)(B) of the Code regulating the project during the Compliance Period and Extended Use Period.

File – The collection of all required documents needed before CDA may begin seeking a QC.

Internal Revenue Code or the Code – The Internal Revenue Code of 1986, as amended, together with all regulations promulgated under the Code.

One Year Period or 1YP– The time period CDA has to obtain a QC as defined in Section 42(H)(6)(F) of the Code.

Owner – The entity so identified in the Covenant as the owner of a project that has received low income housing tax credits.

Qualified Contract or QC – A bona fide written offer pursuant to §42(h)(6)(F) of the Code to purchase the project at or above the QC Price by a Qualified Purchaser.

Qualified Purchaser – A person or entity who submits a bona fide offer, as approved by CDA, to purchase a project at the Qualified Contract Price.

Qualified Contract Price or QC Price – The price pursuant to §42(h)(6)(F) determined by a certified public accountant and approved by CDA.

Qualified Contract Request or QC Request – A request by an Owner to enter into the Qualified Contract Request Process.

Qualified Contract Request Process – The process and procedures established by CDA for the Owner to use when making a request for a QC as set forth in this handbook.

Tax Credit Program – The federal Low Income Housing Tax Credit Program authorized by Section 42 of the Code and administered in Maryland by CDA.

## Time Frame

Owners may enter into the Qualified Contract Request Process beginning with the first day of the 15th year of the Compliance Period for the last building in the project to be placed in service or the last year of a multiple-year allocation.

For example, if five buildings in the project began their credit periods in 1990 and one started in 1991, the 15th year for the purposes of a QC Request would be 2005. If the project received its first allocation of $500,000 in 1990 and a subsequent award of $25,000 in 1992, the 15th year for the purposes of a Request would be 2006.

## Notice of Intent to Request a Qualified Contract

CDA requires a Notice of Intent, by using the Notice of Intent Form (Attachment A) before an Owner may make a QC Request. To be accepted by CDA for processing, the form must include all of the information requested on the form.

Upon receipt and review of a Notice of Intent, CDA will notify the Owner in writing if the project is eligible to submit a QC Request. CDA has 30 days from the receipt of the Notice of Intent to either accept or reject the Notice.

The project is not eligible to submit a QC Request if the project has:

1. Any uncorrected noncompliance reported to the IRS on Form 8823 or other outstanding instances of noncompliance;
2. Any unpaid fees due to CDA;
3. A right of first refusal connected to the project; or
4. Mortgages secured by the project and held by CDA or other lenders which are not current.

Acceptance by CDA of a Notice of Intent does not bind the Owner filing the Notice of Intent to submit a QC Request and does not start the one-year period. However, if the Owner does not file a QC Request in conformance with this procedure, the Owner shall then be obligated to maintain the project’s affordability restrictions for the duration of the Extended Use Period.

## Qualified Contract Request

**Part I**

If CDA has determined the Owner is eligible to make a QC Request based upon the completed Notice of Intent, CDA shall notify the Owner in writing.

The Owner must then file the Qualified Contract Request Form, Part I (Attachment B) and the proposed Qualified Contract Price Worksheets (Attachment D). The worksheets must be completed by a certified public accountant.

The Owner must separately remit an administrative fee of $3,000. Fees should be remitted directly to the attention of:

Angela Hill

M&T Bank

Corporate Trust Department

M/C#:101-591

25 S. Charles St.

Baltimore, MD 21201

Once the above QC Request materials and fee have been received, CDA will review the materials and the proposed QC Price. Based upon its review, CDA reserves the right to either approve or adjust the Owner’s proposed QC Price and will present the final QC Price to the Owner in writing within 60 days of receipt of a complete request. Upon receiving the approved QC Price from CDA, the Owner may elect to continue the Process, but is not required to continue.

**Part II**

If the Owner elects to continue, it must file the Qualified Contract Request Form, Part II (Attachment C). All applicable documents listed on the Qualified Contract Request Form, Part II must be included before the File is complete.

The Owner must deposit $30,000 with CDA to cover possible 3rd party expenses incurred by CDA including, but not limited to: accounting services, appraisals, market studies, brokerage fees, Phase I Environmental Studies and Phase II Environmental Studies, if deemed necessary at the sole discretion of CDA. The unused portion of this deposit shall be returned to the Owner at the conclusion of the 1YP. Additional deposits in increments of $10,000 may be required by CDA if the initial deposit is depleted.

The Owner must separately remit the deposit of $30,000. Deposits should be remitted directly to the attention of:

Angela Hill

M&T Bank

Corporate Trust Department

M/C#:101-591

25 S. Charles St.

Baltimore, MD 21201

Upon receipt of all the above materials and deposit, CDA will issue a letter within 30 days stating that the File is complete and that the 1YP has commenced or that the File is not complete and what information is missing. The 1YP shall not commence until the File is complete.

## Qualifications of Purchasers

Prospective purchasers must meet the same standards for Development Team Members as described in Section 3.2 of the Multifamily Rental Financing Program Guide (“the Guide”) or equivalent standards in any subsequent version of the Guide. CDA must be satisfied the purchaser has sufficient financial capacity to undertake the transaction and is familiar with and prepared to comply with the requirements of the Tax Credit program including the affordability restrictions of the project’s Extended Low Income Housing Covenant. CDA may reject purchasers who have failed to demonstrate proficiency with the Tax Credit program or other analogous or similar government programs.

Prospective purchasers must also show both capacity and experience in the management of similar properties. Managers for prospective purchasers will be evaluated using the same standards from the Guide used to evaluate managers under CDA’s LIHTC Application Package. Prospective purchasers or managers may obtain copies of the Application Package through CDA’s website at:

<http://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx>

## Cooperation Requirement

CDA, during its search for a Qualified Contract, may request additional information from the Owner. This may include providing copies of updated rent rolls, project tax returns, capital needs assessments, income certifications, repair and maintenance records, operating expenses and debt service information and other documentation reasonably required for due diligence purposes. CDA may need access to the project for inspection by CDA, its agents and prospective purchasers.

The 1YP shall be extended during any period of time during which CDA is waiting for additional documentation from the Owner or physical access to the project.

Any offers or inquires made concerning the project to the Owner by prospective purchasers must be immediately forwarded to CDA.

Lack of cooperation by the Owner will cause the Process to be terminated and the Owner will be required to comply with the low income housing requirements for the remaining term of the Extended Use Period as set forth by the Covenant. In the event of termination, all fees received

and deposit funds expended will be retained by CDA.Accepting or Rejecting an Offer

Upon receipt of an acceptable Qualified Contract, CDA shall contact the Owner by letter with the QC attached. The Owner is not required to accept the first or any subsequent offers presented at or above the QC Price. However, if the Owner rejects a bona fide offer at or above the QC Price from a Qualified Purchaser, the project shall remain subject to the low income housing requirements for the remaining term of the Extended Use Period and as agreed upon in the Covenant. The Owner may accept less than the QC Price but may not require a higher price than the QC Price. If the Owner has not entered into a contract for sale of the project within 60 days of receipt of the QC and letter from CDA, the offer will be deemed rejected and the term of extended use shall continue.

Once CDA presents the Owner with a QC, CDA’s responsibilities to secure a QC shall end.

If CDA is unable to present the Owner a QC by the expiration of the 1YP, the project shall no longer be subject to the affordability restrictions of the Covenant. However, the project will be subject to §42(h)(6) of the Code. This section provides for a three year period beginning with the termination of the Extended Use Period, during which period, the Owner may not:

* Evict or terminate a tenancy of any existing tenant of a low-income unit, other than for good cause; or
* Increase the gross rent with respect to any low-income united except as permitted under §42 of the Code.

The Owner will be required to submit annual income certifications as required by the Maryland Low Income Housing Tax Credit Program: Qualified Allocation Plan (the “QAP”) for the duration of this 3 year period.

## Other Rules

CDA will resolve every case of doubt or interpretation in determining the QC Price, both with regard to the overall process and particular properties, in favor of a lower QC Price.

While CDA will make reasonable efforts to work with potential purchasers, CDA makes no guarantees regarding financing. Prospective purchasers are encouraged to apply for available Department financial resources through the normal application or competitive processes. However, no special incentives for Qualified Purchasers or set asides of these funding resources are available under the QAP.

CDA has the sole and complete discretion to make any decision or take any action under this Handbook. An owner may request a reconsideration of any decision of CDA under this Handbook within 15 days of receipt of the decision. The request shall be in writing and submitted to the Director of CDA. Any decision of the Director on a request for reconsideration will be final. An initial decision or reconsideration of a decision is not a contested case within the meaning of the Administrative Procedure Act or COMAR 05.01.01.

## Attachment A: Notice of Intent Form

Please complete this form and attach the required documentation per the Maryland Department of Housing and Community Development’s Qualified Contract Request Process Handbook and mail to:

Maryland Department of Housing and Community Development  
Community Development Administration  
7800 Harkins Road  
Lanham, MD 20706

Attn: Tax Credit Administrator

Re: Qualified Contract Notice of Intent  
[*insert Owner’s name*]  
BIN MD-XX-XXXXX through XXXXX

1. Project Name & Address:

|  |  |
| --- | --- |
| Project Name |  |
| Street |  |
| City, State, Zip |  |

1. Name, Address, & Phone Number of all partners/members in the ownership entity (attach names of additional partners on a separate sheet):

|  |  |  |
| --- | --- | --- |
| Managing Member or General Partner |  | |
| Street |  | |
| City, State, Zip, Phone |  | Phone: |

|  |  |  |
| --- | --- | --- |
| Non-managing Member or Limited Partner |  | |
| Street |  | |
| City, State, Zip, Phone |  | Phone: |

|  |  |  |
| --- | --- | --- |
| Non-managing Member or Limited Partner |  | |
| Street |  | |
| City, State, Zip, Phone |  | Phone: |

1. Please answer the following questions about the project:

|  |  |
| --- | --- |
| How many buildings and units are in the project? |  |
| What are the dates that each building was placed in service and the first year in which it claimed Housing Credits? (Please attach copies of original 8609s, with Part II complete, for each building.) |  |
| Is the project mixed income? If yes, please attach applicable fraction information for each building. |  |
| Does the partnership/operating agreement or any other documentation grant any form of preference for purchasing the project? (i.e. purchase options or rights of first refusal, even if granted to a non-profit partner?) If yes, please attach the documentation on such rights. |  |

1. Non-compliance:

|  |  |
| --- | --- |
| Has the project been cited for any violations that have required an 8823 to be filed with the IRS that remain uncorrected? If yes, please attach a statement explaining the nature, dates and current status of such violations. |  |

1. Affordability Restrictions:

|  |  |
| --- | --- |
| Is the project subject to additional affordability restrictions (i.e. USDA Rural Development, HUD, state/local funding, etc.)? If yes, please attach a statement detailing the restrictions. |  |
| Does the project have project-based rental assistance? If yes, how many years beyond the compliance period must the project maintain affordability restrictions? |  |

Please use this document checklist to ensure all appropriate documents are included:

|  |  |
| --- | --- |
| a) | Copies of the 1st Year 8609’s for each building in the project with Part II completed; |
| b) | Proof that any purchase options or rights of first refusal have been waived; |
| c) | Applicable fraction information for each building in mixed income properties; |
| d) | Statement explaining the nature and dates of any uncorrected 8823 violations; and |
| e) | Statement of additional affordability restrictions on the project. |

By submitting this Notice of Intent Form and the attachments hereto, the undersigned hereby agrees that it has read, understands and is binding itself to the terms and conditions specified in the Qualified Contract Request Process Handbook (current version). The undersigned further declares that it is the duly authorized representative of the Owner, waives any right of first refusal, and is fully empowered to enter into any subsequent commitments or agreements on behalf of the Owner to affect a Qualified Contract for the subject project.

The undersigned further certifies that the information contained in this application and in any attachments in support hereof is true, correct and complete to the best of his/her knowledge and belief.

IN WITNESS WHEREOF, the applicant has caused this document to be duly executed in its name on this \_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_.

Owner: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, a Maryland limited (*partnership or liability company)*

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, its (*general partner or managing member)*

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
[*print signatory’s name, title*]

## Attachment B: Qualified Contract Request Form – Part I

Please complete this form and attach the required documentation per the Maryland Department of Housing and Community Development’s Qualified Contract Request Process Handbook:

To:

Maryland Department of Housing and Community Development

Community Development Administration

7800 Harkins Road  
Lanham, MD 20706

Attn: Tax Credit Administrator

Re: Qualified Contract Request Form – Part I

[*insert Owner’s name*]

BIN MD-XX-XXXXX through XXXXX

1. Project Name & Address:

|  |  |
| --- | --- |
| Project Name |  |
| Street |  |
| City, State, Zip |  |

2) Please include all of the items below with your form:

|  |  |
| --- | --- |
| a) | Annual federal tax returns of the Owner beginning with the first year of the Compliance Period; |
| b) | Annual audited financial statements for the lifetime of the Project; |
| c) | Rent rolls for the most recent 12 months; |
| d) | Loan documents for all non-Department debt[[1]](#footnote-1) secured by the project during the Compliance Period; |
| e) | A current (performed within 6 months of the date of the QC request) appraisal of the project performed by a licensed appraiser approved by CDA; |
| f) | A copy of the transmittal and the check for the $3,000 Administrative Fee (the fee itself must be submitted separately see page 7 of the Handbook); |
| g) | Worksheet D, the Proposed Qualified Contract Price, *prepared by a certified public accountant*. |

By submitting this Qualified Contract Request Form, Part I, and the attachments hereto, the undersigned hereby agrees that it has read, understands and is binding itself to the terms and conditions specified in the Qualified Contract Request Process Handbook (current version). The undersigned further declares that it is the duly authorized representative of the Owner, waives any right of first refusal, and is fully empowered to enter into any subsequent commitments or agreements on behalf of the Owner to affect a Qualified Contract for the subject project.

The undersigned further certifies that the information contained in this application and in any attachments in support hereof is true, correct and complete to the best of his/her knowledge and belief.

IN WITNESS WHEREOF, the applicant has caused this document to be duly executed in its name on this \_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_.

Owner: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ , a Maryland limited (*partnership or liability company)*

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ , its (*general partner or managing member)*

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[*print signatory’s name, title*]

The undersigned certifies it is a certified public accountant and that it has prepared the Qualified Contract Price worksheets and they present fairly, in all material respects [what does “fairly in all material respects” mean or add to this statement?] the project’s Qualified Contract Price as of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (insert date)

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[*print signatory’s name, title*]

## Attachment C: Qualified Contract Request Form – Part II

Part II of the Qualified Contract Request Form may only be filed once the Owner has received the Qualified Contract Price from CDA.

Please complete this form and attach the required documentation per the Maryland Department of Housing and Community Development’s Qualified Contract Request Process:

TO:

Maryland Department of Housing and Community Development

Community Development Administration

7800 Harkins Road  
 Lanham, MD 20706

Attn: Tax Credit Administrator

Re: Qualified Contract Request Form – Part II

[*insert Owner’s name*]

BIN MD-XX-XXXXX through XXXXX

1. Project Name & Address:

|  |  |
| --- | --- |
| Project Name |  |
| Street |  |
| City, State, Zip |  |

1. Please use this document checklist to ensure all appropriate documents are included:

|  |  |
| --- | --- |
| a) | A current (performed within 6 months of the date of the QC Request) market study by an analyst approved by CDA; |
| b) | A current (performed within 6 months of the date of the QC Request) title report; |
| c) | A copy of the transmittal and the check for the $30,000 deposit payable to the “Community Development Administration” to cover possible 3rd party expenses incurred by CDA (the fee itself must be submitted separately see page 7 of the Handbook); |
| d) | Written authorization for CDA to list the project for sale with a broker; |
| e) | A narrative description of the project identifying its location, number of units and amenities; |
| f) | Color photographs of the exterior and interior of the project, including photos of common areas. Photographs must have been taken within the six calendar months prior to submission. Please include digital copies of all photos for use with website marketing; and |
| g) | The names and contact information for any prospective purchasers who have made offers for the project within the last 5 years and any documents related to such offers. |

By submitting this Qualified Contract Request Form, Part II, and the attachments hereto, the undersigned hereby agrees that it has read, understands and is binding itself to the terms and conditions specified in the Qualified Contract Request Process Handbook (current version). The undersigned further declares that it is the duly authorized representative of the Owner, waives any right of first refusal, and is fully empowered to enter into any subsequent commitments or agreements on behalf of the Owner to affect a Qualified Contract for the subject project.

The undersigned further certifies that the information contained in this application and in any attachments in support hereof is true, correct and complete to the best of his/her knowledge and belief.

IN WITNESS WHEREOF, the applicant has caused this document to be duly executed in its name on this \_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_.

Owner: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, a Maryland limited (*partnership or liability company)*

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, its (*general partner or managing member)*

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[*print signatory’s name, title*]

## Attachment D: Instructions for Calculation of Qualified Contract Price

Before CDA will approve a QC Request for your project, you must complete the Calculation of Qualified Contract Price form attached to these instructions (the “Calculation Form”). This calculation must be completed by an independent certified public accountant (“CPA”) and, if approved by CDA, will assist in establishing the minimum price at which CDA will market your project and present an offer for its purchase.

To complete the Calculation Form, your CPA must complete Exhibits A through D and, if the project has market rate units, Exhibit E. The results of Exhibits A through E are transferred to the Calculation Form to determine the Qualified Contract Price for the project.

The Calculation Form is derived from a statutory formula set forth in §42(h)(6)(F) of the Internal Revenue Code. The statutory formula divides the purchase price between the low-income portion of the project and the market rate portion of the project, if any. The Qualified Contract Price for the low-income portion of the project is equal to the sum of project indebtedness (Worksheet A), adjusted investor equity (Worksheet B), and other capital contributions (Worksheet C) **reduced** by the total cash that has been distributed, or is available for distribution, from the project (Worksheet D). If the project has any non-low income units, the Qualified Contract Price is increased by the fair market value of those units (Worksheet E).

Please remember that the 1YP for finding a Qualified Purchaser will not commence until the Calculation, and Exhibits A through E, are completed and returned to CDA with other required materials, and are approved by CDA. The Calculation must be prepared, approved or reviewed by an independent certified public accountant.

**Calculation of Qualified Contract Price**

Pursuant to Section 42(h)(6)(F) of the Internal Code

As of , 20

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **A.** | **Calculation of Low-Income Portion of Payment**: | | | |
|  | (i) | Outstanding Indebtedness secured by, or with respect to the Buildings (from *Worksheet A*) | $ |  |
|  | (ii) | Adjusted Investor Equity (from *Worksheet B)* | $ |  |
|  | (iii) | Other Capital Contributions not reflected in (i) or (ii) (from *Worksheet C*) | $ |  |
|  | (iv) | Total of (i), (ii) and (iii) | $ |  |
|  | (v) | Cash Distributions from or available from, the Project (from *Worksheet D*) | $ |  |
|  | (vi) | Line (iv) reduced by Line (v) | $ |  |
|  | (vii) | Applicable fraction (as set forth in the Tax Credit Regulatory Agreement) | % |  |
|  | (viii) | Low-Income Portion of Qualified Contract Price (Line (vi) multiplied by Line (vii) ) |  | $ |
|  |  |  |  |  |
|  |  |  |  |  |
| **B.** | | **Fair Market Value of Non Low-Income**  **Portion of Building(s)** (from *Worksheet E*) | | | $ |
|  | |  | | |  |
|  | |  | | |  |
|  | | **Qualified Contract Price**  (Sum of Line A(viii) and Line B) | | | $ |

**WORKSHEET A**

Outstanding Indebtedness

With Respect to Low-Income Building(s)

**Instructions**

The Qualified Contract Price includes the unpaid balance of all secured and unsecured indebtedness with respect to the low-income buildings. Worksheet A requires you to set forth certain information with respect to each mortgage loan and other project indebtedness.

In the section marked “Other Information” (subsection (v) with respect to each loan), please set forth any information with respect to the loan that may be relevant to CDA’s efforts to market the project. Examples of relevant information include whether the loan has a “due-on-sale” clause or if any portion of the loan is payable from net cash flow (i.e., is “soft” debt). Please also attach to the worksheet, an amortization schedule for each loan, if available.

In addition to mortgage indebtedness, you should also list any unsecured, long-term debt the proceeds of which were used directly in the construction, rehabilitation, or operations of the project.

The unpaid principal balance and accrued interest for each loan set forth on this worksheet should be totaled and that total should be transferred to Section A(i) of the Calculation Form.

**Worksheet**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **1.** | **First Mortgage Loan:** | | | |
|  | (i) | Lender: |  |  |
|  | (ii) | Outstanding Principal Balance as of | $ |  |
|  | (iii) | Accrued Interest | $ |  |
|  | (iv) | Maturity Date |  |  |
|  | (v) | Other Information  [attach amortization schedule, if available] |  |  |
|  |  | Subtotal | $ |  |
|  |  |  |  |  |
|  |  |  |  |  |
| **2.** | **Second Mortgage Loan:** | | | |
|  | (i) | Lender: |  |  |
|  | (ii) | Outstanding Principal Balance as of | $ |  |
|  | (iii) | Accrued Interest | $ |  |
|  | (iv) | Maturity Date |  |  |
|  | (v) | Other Information  [attach amortization schedule, if available] |  |  |
|  |  | Subtotal | $ |  |
|  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  | |  |  |  |
| **3.** | **Third Mortgage Loan:** | | | | |
|  | (i) | | Lender: |  |  |
|  | (ii) | | Outstanding Principal Balance as of | $ |  |
|  | (iii) | | Accrued Interest | $ |  |
|  | (iv) | | Maturity Date |  |  |
|  | (v) | | Other Information  [attach amortization schedule, if available] |  |  |
|  |  | | Subtotal | $ |  |
|  |  | |  |  |  |
|  |  | |  |  |  |
| **4.** | **Fourth Mortgage Loan:** | | | | |
|  | (i) | | Lender: |  |  |
|  | (ii) | | Outstanding Principal Balance as of | $ |  |
|  | (iii) | | Accrued Interest | $ |  |
|  | (iv) | | Maturity Date |  |  |
|  | (v) | | Other Information  [attach amortization schedule, if available] |  |  |
|  |  | | Subtotal | $ |  |
|  |  | |  |  |  |
|  |  | |  |  |  |
| **5.** | **Unsecured Indebtedness with Respect to Low-Income Building(s):** | | | | |
|  | (i) | | Lender: |  |  |
|  | (ii) | | Outstanding Principal Balance as of | $ |  |
|  | (iii) | | Accrued Interest | $ |  |
|  | (iv) | | Maturity Date |  |  |
|  | (v) | | Other Information  [attach amortization schedule, if available] |  |  |
|  |  | | Subtotal | $ |  |
|  |  | |  |  |  |
|  |  | |  |  |  |
|  |  | |  |  |  |
|  | | **Total Indebtedness with respect to Low-Income Portion of the Building(s)** (Sum of 1-5 subtotals above) | | | $ |

**WORKSHEET B**

Calculation of Adjusted Investor Equity

In the Low-Income Building(s)

**Instructions**

The Qualified Contract Price includes the sum of the “Adjusted Investor Equity” with respect to the project. “Adjusted Investor Equity” is defined in Section 42(h)(6)(G) of the Code as “with respect to any calendar year, the aggregate amount of cash that taxpayers invested with respect to the project, increased by the amount equal to – (I) such amount, multiplied by (II) the cost-of-living adjustment for such calendar year, determined under §1(f)(3) by substituting the base calendar year for ‘calendar year 1987’. An amount shall be taken into account as an investment in the project only to the extent there was an obligation to invest such amount as of the beginning of the credit period and to the extent such amount is reflected in the adjusted basis of the project”.

Not all capital contributions with respect to the project qualify as “Adjusted Investor Equity.” Specifically, cash invested in the project should be included in this Worksheet B only if **each of the following is true**:

(i) The cash is contributed as a capital contribution and not as a loan or advance;

(ii) the amount is reflected in the adjusted basis of the project (until there is further guidance from the Internal Revenue Service, CDA will interpret this to mean cash contributions used to directly fund adjusted basis and cash contributions used to pay off a construction or bridge loan, the proceeds of which directly funded adjusted basis); and

(iii) there was an obligation to invest the amount as of the beginning of the credit period (until there is further guidance from the Internal Revenue Service, CDA will interpret this to include cash actually invested before the beginning of the credit period and cash invested after the beginning of the credit period for which there was an obligation to invest at the beginning of the credit period).

With respect to Worksheet B, subsection (i) for each calendar year requires you to set forth the identity of the investor. Typically, this will be the tax credit investor (i.e., the investor limited partner); however, it may include a general partner if the cash investment by a general partner otherwise satisfies the requirements set forth above.

Subsection (ii) requires you to set forth the amount of qualifying cash equity that was invested in the project for that calendar year. This amount should include only cash that was actually contributed to the project that year; it should not include amounts for which there was a mere obligation to invest.

Subsection (iii) sets forth the cost-of-living adjustment for each calendar year. Investment amounts qualifying as investor equity are entitled to a cost-of-living adjustment. CDA has calculated the applicable cost-of-living adjustment for each year based on the Consumer Price Index – All Urban Consumers (“CPI”) available through the U.S. Department of Labor, Bureau of Labor Statistics. Pursuant to §1(f)(4) and §42(h)(6)(G)(ii) of the Internal Revenue Code, the CPI adjustment is calculated for each twelve-month period ending August 31st. Accordingly, in September of each year CDA will recalculate and revise the “Cost of Living Adjustments” set forth in this worksheet. If you have questions with respect to CDA’s calculations of the cost-of-living adjustments, you may request an explanation from CDA.

After calculating the investment amount and cost-of-living adjustment, if any, for each year, these amounts must be totaled and set forth in column 15 of the worksheet. This total is then transferred to Section A(ii) of the Calculation Form.

**Worksheet**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **1.** | **1990 Adjusted Investor Equity** | | | |
|  | (i) | Investor: |  |  |
|  | (ii) | Investment Amount | $ |  |
|  | (iii) | Cost-of-living Adjustment (48.7%) | $ |  |
|  |  | Subtotal (ii) plus (iii) |  | $ |
|  |  |  |  |  |
| **2.** | **1991 Adjusted Investor Equity** | | | |
|  | (i) | Investor: |  |  |
|  | (ii) | Investment Amount | $ |  |
|  | (iii) | Cost-of-living Adjustment (43.7%) | $ |  |
|  |  | Subtotal (ii) plus (iii) |  | $ |
|  |  |  |  |  |
| **3.** | **1992 Adjusted Investor Equity** | | | |
|  | (i) | Investor: |  |  |
|  | (ii) | Investment Amount | $ |  |
|  | (iii) | Cost-of-living Adjustment (39.3%) | $ |  |
|  |  | Subtotal (ii) plus (iii) |  | $ |
|  |  |  |  |  |
| **4.** | **1993 Adjusted Investor Equity** | | | |
|  | (i) | Investor: |  |  |
|  | (ii) | Investment Amount | $ |  |
|  | (iii) | Cost-of-living Adjustment (35.6%) | $ |  |
|  |  | Subtotal (ii) plus (iii) |  | $ |
|  |  |  |  |  |
| **5.** | **1994 Adjusted Investor Equity** | | | |
|  | (i) | Investor: |  |  |
|  | (ii) | Investment Amount | $ |  |
|  | (iii) | Cost-of-living Adjustment (31.8%) | $ |  |
|  |  | Subtotal (ii) plus (iii) |  | $ |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  |  |
| **6.** | **1995 Adjusted Investor Equity** | | | |
|  | (i) | Investor: |  |  |
|  | (ii) | Investment Amount | $ |  |
|  | (iii) | Cost-of-living Adjustment (28.4%) | $ |  |
|  |  | Subtotal (ii) plus (iii) |  | $ |
|  |  |  |  |  |
| **7.** | **1996 Adjusted Investor Equity** | | | |
|  | (i) | Investor: |  |  |
|  | (ii) | Investment Amount | $ |  |
|  | (iii) | Cost-of-living Adjustment (24.8%) | $ |  |
|  |  | Subtotal (ii) plus (iii) |  | $ |
|  |  |  |  |  |
| **8.** | **1997 Adjusted Investor Equity** | | | |
|  | (i) | Investor: |  |  |
|  | (ii) | Investment Amount | $ |  |
|  | (iii) | Cost-of-living Adjustment (22.1%) | $ |  |
|  |  | Subtotal (ii) plus (iii) |  | $ |
|  |  |  |  |  |
| **9.** | **1998 Adjusted Investor Equity** | | | |
|  | (i) | Investor: |  |  |
|  | (ii) | Investment Amount | $ |  |
|  | (iii) | Cost-of-living Adjustment (20.1%) | $ |  |
|  |  | Subtotal (ii) plus (iii) |  | $ |
|  |  |  |  |  |
| **10.** | **1999 Adjusted Investor Equity** | | | |
|  | (i) | Investor: |  |  |
|  | (ii) | Investment Amount | $ |  |
|  | (iii) | Cost-of-living Adjustment (17.5%) | $ |  |
|  |  | Subtotal (ii) plus (iii) |  | $ |
|  |  |  |  |  |
| **11.** | **2000 Adjusted Investor Equity** | | | |
|  | (i) | Investor: |  |  |
|  | (ii) | Investment Amount | $ |  |
|  | (iii) | Cost-of-living Adjustment (13.6%) | $ |  |
|  |  | Subtotal (ii) plus (iii) |  | $ |
|  |  |  |  |  |
| **12.** | **2001 Adjusted Investor Equity** | | | |
|  | (i) | Investor: |  |  |
|  | (ii) | Investment Amount | $ |  |
|  | (iii) | Cost-of-living Adjustment (10.6%) | $ |  |
|  |  | Subtotal (ii) plus (iii) |  | $ |
|  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **13.** | **2002 Adjusted Investor Equity** | | | | |
|  | (i) | | Investor: |  |  |
|  | (ii) | | Investment Amount | $ |  |
|  | (iii) | | Cost-of-living Adjustment (8.6%) | $ |  |
|  |  | | Subtotal (ii) plus (iii) |  | $ |
|  |  | |  |  |  |
| **14.** | **2003 Adjusted Investor Equity** | | | | |
|  | (i) | | Investor: |  |  |
|  | (ii) | | Investment Amount | $ |  |
|  | (iii) | | Cost-of-living Adjustment (6.3%) | $ |  |
|  |  | | Subtotal (ii) plus (iii) |  | $ |
|  | |  | | |  |
| **15.** | **2004 Adjusted Investor Equity** | | | | |
|  | (i) | | Investor: |  |  |
|  | (ii) | | Investment Amount | $ |  |
|  | (iii) | | Cost-of-living Adjustment (3.6%) | $ |  |
|  |  | | Subtotal (ii) plus (iii) |  | $ |
|  |  | |  |  |  |
| **16.** | **2005 Adjusted Investor Equity** | | | | |
|  | (i) | | Investor: |  |  |
|  | (ii) | | Investment Amount | $ |  |
|  | (iii) | | Cost-of-living Adjustment (0.0%) | $ |  |
|  |  | | Subtotal (ii) plus (iii) |  | $ |
|  |  | |  |  |  |
| **17.** | | **Add Additional Years as Needed.** | | |  |
|  | |  | | |  |
|  | | **Total Adjusted Investor Equity** (Sum of 1-17 subtotals above): | | | **$** |

**WORKSHEET C**

Other Capital Contributions

**Instructions**

The Qualified Contract Price includes the amount of other capital contributions made with respect to the project. For this purpose, “other capital contributions” are not limited to cash (at least until there is contrary guidance from the Internal Revenue Service) and, therefore, include “in-kind” contributions such as land, equipment and furnishings. However, if you include any non-cash contributions in this worksheet, please describe in detail the type of contribution, the value you have assigned to the contribution, and your justification for assigning that value.

Do not include in this Worksheet C any amounts included in Worksheets A or B. Further, all amounts included in this worksheet must constitute contributed capital and not be a debt or advance.

After setting forth the required information with respect to each contribution, please total the contribution amounts and then transfer the total to Section A(iii) of the Calculation Form.

**Worksheet**

**1.**

|  |  |
| --- | --- |
| Investment Amount | $ |
| (i) Name of Investor |  |
| (ii) Date of Investment |  |
| (iii) Use of Contributions/Proceeds |  |
| (iv) Other Information |  |

**2.**

|  |  |
| --- | --- |
| Investment Amount | $ |
| (i) Name of Investor |  |
| (ii) Date of Investment |  |
| (iii) Use of Contributions/Proceeds |  |
| (iv) Other Information |  |

**3. [Add as needed.]**

|  |  |
| --- | --- |
| Total Amount of Contribution (1 - ) | $ |

**WORKSHEET D**

Cash Distributions From, or

Available From the Project

**Instructions**

The Qualified Contract Price is reduced by the total of all cash distributions from, or available from, the project. To assist you in this calculation, we have divided Worksheet D into three sections.

In Section A, set forth all cash distributions with respect to the project for calendar years 1990 through the most recent reporting period. Generally, this will include all cash payments and distributions from net operating income (i.e., “below the line” distributions and payments, after the payment of operating expenses, debt service, and reserves). Distributions set forth in Section A of the worksheet will include, but not be limited to, (i) amounts paid to partners or affiliates as fees (including investor fees, partnership management fees, incentive management fees and guaranty fees) and (ii) amounts distributed to partners as a return of capital or otherwise. Until guidance is provided by the Internal Revenue Service, CDA will not reduce the Qualified Contract Price by payments of deferred developer fee to the extent the amount of fee was within CDA’s policies and guidelines. We require, however, that you list all payments and distributions from net cash flow. If you believe any portion of a payment or distribution should be excluded from the calculation (such as deferred developer fee), please identify such payments or distributions and provide an explanation of why it should be excluded in Section B.

Section A of the worksheet provides for up to five (5) types of distributions of net operating income for each year (items (i)-(v)). If there were more in any calendar year, you will need to attach an addendum to the worksheet setting forth the recipient, characterization and amount of such distribution.

The Qualified Contract Price is reduced not only by cash distributions made with respect to the project but also all cash that is available for distribution. In Section C you are required to set forth amounts held in reserve and other project accounts and the amounts thereof that are available for distribution. Until such time as guidance is provided by the Internal Revenue Service, CDA will interpret “available for distribution” to mean all cash held in project accounts the distribution of which is not prohibited by mortgage restrictions, regulatory agreements or similar third-party contractual prohibitions. An amount currently held in a project account that will become unrestricted and available for distribution on or before the expiration of the one-year qualified contract period should be listed as available for distribution in Section B.

Finally, Section D requires you to set forth and identify describe and non-cash distributions that have been made with respect to the project. Absent unusual circumstances, the amount of “non-cash distributions” will not be applied to reduce the Qualified Contract Price (until contrary guidance from the Internal Revenue Service).

To complete Worksheet D, please total the qualifying cash distributed for all calendar years under Section A and the cash available (or that will be available) for distribution in Section B. The total of Sections A and B should be transferred to Section A(v) of the Calculation Form.

**Worksheet**

**A. Cash Distributed**

1. 1990 Distributions:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Recipient** | **Characterizations** | **Amount** |
| (i.) |  |  | $ |
| (ii) |  |  | $ |
| (iii) |  |  | $ |
| (iv) |  |  | $ |
| (v) |  |  | $ |
|  |  | **Total Distributions** | $ |

2. 1991 Distributions

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Recipient** | **Characterizations** | **Amount** |
| (i.) |  |  | $ |
| (ii) |  |  | $ |
| (iii) |  |  | $ |
| (iv) |  |  | $ |
| (v) |  |  | $ |
|  |  | **Total Distributions** | $ |

3. 1992 Distributions

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Recipient** | **Characterizations** | **Amount** |
| (i.) |  |  | $ |
| (ii) |  |  | $ |
| (iii) |  |  | $ |
| (iv) |  |  | $ |
| (v) |  |  | $ |
|  |  | **Total Distributions** | $ |

4. 1993 Distributions

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Recipient** | **Characterizations** | **Amount** |
| (i.) |  |  | $ |
| (ii) |  |  | $ |
| (iii) |  |  | $ |
| (iv) |  |  | $ |
| (v) |  |  | $ |
|  |  | **Total Distributions** | $ |

5. 1994 Distributions

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Recipient** | **Characterizations** | **Amount** |
| (i.) |  |  | $ |
| (ii) |  |  | $ |
| (iii) |  |  | $ |
| (iv) |  |  | $ |
| (v) |  |  | $ |
|  |  | **Total Distributions** | $ |

6. 1995 Distributions

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Recipient** | **Characterizations** | **Amount** |
| (i.) |  |  | $ |
| (ii) |  |  | $ |
| (iii) |  |  | $ |
| (iv) |  |  | $ |
| (v) |  |  | $ |
|  |  | **Total Distributions** | $ |

7. 1996 Distributions

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Recipient** | **Characterizations** | **Amount** |
| (i.) |  |  | $ |
| (ii) |  |  | $ |
| (iii) |  |  | $ |
| (iv) |  |  | $ |
| (v) |  |  | $ |
|  |  | **Total Distributions** | $ |

8. 1997 Distributions

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Recipient** | **Characterizations** | **Amount** |
| (i.) |  |  | $ |
| (ii) |  |  | $ |
| (iii) |  |  | $ |
| (iv) |  |  | $ |
| (v) |  |  | $ |
|  |  | **Total Distributions** | $ |

9. 1998 Distributions

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Recipient** | **Characterizations** | **Amount** |
| (i.) |  |  | $ |
| (ii) |  |  | $ |
| (iii) |  |  | $ |
| (iv) |  |  | $ |
| (v) |  |  | $ |
|  |  | **Total Distributions** | $ |

10. 1999 Distributions

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Recipient** | **Characterizations** | **Amount** |
| (i.) |  |  | $ |
| (ii) |  |  | $ |
| (iii) |  |  | $ |
| (iv) |  |  | $ |
| (v) |  |  | $ |
|  |  | **Total Distributions** | $ |

11. 2000 Distributions

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Recipient** | **Characterizations** | **Amount** |
| (i.) |  |  | $ |
| (ii) |  |  | $ |
| (iii) |  |  | $ |
| (iv) |  |  | $ |
| (v) |  |  | $ |
|  |  | **Total Distributions** | $ |

12. 2001 Distributions

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Recipient** | **Characterizations** | **Amount** |
| (i.) |  |  | $ |
| (ii) |  |  | $ |
| (iii) |  |  | $ |
| (iv) |  |  | $ |
| (v) |  |  | $ |
|  |  | **Total Distributions** | $ |

13. 2002 Distributions

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Recipient** | **Characterizations** | **Amount** |
| (i.) |  |  | $ |
| (ii) |  |  | $ |
| (iii) |  |  | $ |
| (iv) |  |  | $ |
| (v) |  |  | $ |
|  |  | **Total Distributions** | $ |

14. 2003 Distributions

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Recipient** | **Characterizations** | **Amount** |
| (i.) |  |  | $ |
| (ii) |  |  | $ |
| (iii) |  |  | $ |
| (iv) |  |  | $ |
| (v) |  |  | $ |
|  |  | **Total Distributions** | $ |

15. Add Additional Years as needed.

|  |  |
| --- | --- |
| (Sum of Lines 1(i) – 14(i) | $ |

**Total 1990-2003 Distributions**

**B. Exclusion Request & Explanation** – List distributions (or portions of distributions) owner believes should be excluded:

|  |  |  |  |
| --- | --- | --- | --- |
| **Year** | **Recipient** | **Explanation** | **Amount** |
|  |  |  | $ |
|  |  |  | $ |
|  |  |  | $ |
|  |  |  | $ |
|  |  |  | $ |

**C. Cash Available for Distribution:**

|  |  |  |  |
| --- | --- | --- | --- |
| 1. | Amounts Held in Replacement Reserve Account(s) | $ |  |
| (a) | Amount available for Distribution |  | $ |
| 2. | Amounts Held in Operating Reserve Account(s) | $ |  |
| (a) | Amount available for Distribution |  | $ |
| 3. | Amounts Held in Other Reserve Account(s) (identify each account, the terms thereof, and the amount held therein) | $ |  |
| (a) | Amount available for Distribution |  | $ |
| 4. | Amounts Held in Partnership Accounts Other than Reserves | $ |  |
| (a) | Amount available for Distribution |  | $ |
|  | **Total Amount Available for Distribution** (Sum of Lines 1(a) – 4(a)) | $ |  |

|  |  |
| --- | --- |
| **Total Cash Distributed and Available for Distribution** (Sum of Sections A + B + C) | **$** |

**D. List of All Non-Cash Distributions (identify asset distributed, recipient value,**

**and characterization of distribution)**

**1.**

|  |  |
| --- | --- |
| **Asset Distributed:** |  |

|  |  |  |
| --- | --- | --- |
| (i) | Recipient |  |
| (ii) | Date of Distribution |  |
| (iii) | Estimated Value of Asset When Distributed | $ |
| (iv) | Reason For and/or Characterization of Distribution |  |

**2.**

|  |  |
| --- | --- |
| **Asset Distributed:** |  |

|  |  |  |
| --- | --- | --- |
| (i) | Recipient |  |
| (ii) | Date of Distribution |  |
| (iii) | Estimated Value of Asset When Distributed | $ |
| (iv) | Reason For and/or Characterization of Distribution |  |

**3.**

|  |  |
| --- | --- |
| **Asset Distributed:** |  |

|  |  |  |
| --- | --- | --- |
| (i) | Recipient |  |
| (ii) | Date of Distribution |  |
| (iii) | Estimated Value of Asset When Distributed | $ |
| (iv) | Reason For and/or Characterization of Distribution |  |

Add Additional Distributions as needed.

**WORKSHEET E**

Fair Market Value on Non-Low-Income Portion of Building(s)

The fair market value of the non-low income portion of the project buildings is: **$**

Set forth or attach to this worksheet the appraisal, study, methodology proof or other support for the fair market value of the non-low-income portion of the building(s). The fair market value set forth above should be transferred to Section B of the Calculation Form.

1. Department debt will be considered in this Process, but documentation does not have to be included unless not on file with the Department. [↑](#footnote-ref-1)