



Consolidated Application Attachment

**Housing Tax Credit Contribution Gap Financing Justification Form
Exhibit - 12.12**

INSTRUCTIONS: Fill out the form if you are applying for HTCCs and have been previously awarded DOH and/or CHFA funds (not required for previously awarded HTCCs and/or LIHTC only deals). Refer to the HTCC Program Guidelines for additional information and requirements pertaining to gap financing requests.

Project Name: _____

CHFA/DOH Project Number: _____

1. Please explain the situation that contributed to the need for HTCCs. Describe efforts taken to alleviate the gap. This may include increasing deferred fees, providing more equity, access to other soft funds, limiting overhead and profit for the contractor, contractor bidding, value engineering, etc.

2. All gap financing requests must demonstrate that the contingency balance cannot absorb the additional costs and the deferred developer fee is maxed out. Use of HTCC will not be considered as a substitute source for 1) a pledge of Developer Cash Equity or 2) a Deferred Developer Fee after an initial financial closing or receipt of an award of LIHTCs. Provide a brief narrative describing how your request meets this criteria and provide any supporting documentation that demonstrates compliance with this requirement.

3. Costs associated with betterments to the project, even if the improvements were removed during a value engineering exercise, are not considered financing gaps. Please indicate if the increased costs are related to items removed from a previous value engineering exercise and the rationale for adding them back into the project.

4. Provide documentation confirming the increase in costs via change orders and/or contractor's estimate and any other documentation that you believe will aid in CHFA's evaluation of your request for HTCC for gap financing.

Attached

Applicant Certification

I have read the HTCC Program Guidelines related to gap financing requests and certify that the request meets the gap financing criteria. In addition, contingency balances cannot absorb additional costs, the deferred developer fee has been maximized and HTCC will not substitute for Developer Cash Equity or deferred developer fee.

Authorized Signature: _____

Date: _____