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# Connecticut Housing Finance Authority

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Low-Income Housing  
Tax Credit Guidelines

2015

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## PREFACE

This guideline is to be used by applicants or recipients of funding through the Low-income Housing Tax Credit (“LIHTC”) Program. The guideline supplements the existing laws and rules prescribed by the Internal Revenue Service (the “IRS”) in Section 42 of the Internal Revenue Code (the “Code”) and related regulations. It is also to be used as a supplement to the CHFA Procedures, Qualified Allocation Plan (“QAP”), CHFA/DOH Consolidated Application, Multifamily Design, Construction and Sustainability Standards, and the CHFA Multifamily Underwriting Guidelines. If any statements in these documents conflict with the laws governing the LIHTC Program, those laws take precedence. The materials should not be relied upon solely or as a substitute for an applicant’s own tax or legal counsel or interpretation of laws relating to the LIHTC Program. Applicants are ultimately responsible for providing the information necessary for the determination of the project’s eligibility and compliance under the LIHTC Program. Related or referenced documents can be found at the end of these guidelines.

## I. BACKGROUND - LOW-INCOME HOUSING TAX CREDITS

The Tax Reform Act of 1986 established the LIHTC Program to provide market incentives to acquire and develop or rehabilitate affordable rental housing. Since its inception, the LIHTC Program has helped construct and rehabilitate a significant portion of the nation’s affordable housing stock.

The LIHTC Program works as follows: The IRS allocates federal tax credits to State Housing Credit Agencies like the [Connecticut Housing Finance Authority](#) (“CHFA” or the “Authority”). CHFA awards tax credits to eligible affordable housing developments on a competitive basis. The developers use the equity capital generated from the sale of the tax credits to lower the debt burden on tax credit properties, making it easier to offer lower, more affordable rents. Investors purchase the tax credits to lower their federal tax liability.

Developers typically structure LIHTC projects as limited partnerships (“LP”s) or limited liability companies (“LLC”s), providing ownership to the investors. This structure allows the investors to receive tax credit benefits and passive losses.

The IRS requires that CHFA publish annually its housing priorities and eligibility criteria for awarding housing tax credits in a QAP. The QAP must give priority to projects that serve the lowest income households and that remain affordable for the longest period of time. The QAP was developed to be appropriate to State housing needs and consistent with State housing priorities in Connecticut.

The actual amount of tax credits awarded to the developer cannot exceed the amount CHFA deems necessary for the project’s financial feasibility and its viability as a low-income housing project throughout the compliance period.

9% LIHTC’s are generally awarded based on an annual competitive funding round, whereas 4% LIHTC’s are awarded annually through a non-competitive, ongoing open application process. 4% LIHTC applications, however, become competitive if the application is submitted simultaneously requesting funds from CHFA and the [Department of Housing](#) (“DOH”).

CHFA staff may take any actions deemed necessary by CHFA to process applications in a manner which promotes CHFA's housing goals, specific market needs and/or program objectives. Furthermore, staff is specifically instructed and authorized to make de minimis adjustment to carry out the housing goals of CHFA. For these purposes, de minimis means any adjustment of approximately 5%.

## II. Pre-Application Meeting

CHFA advises, but does not require, a pre-application meeting between CHFA, DOH (if necessary) and any members of the development team who wish to be involved. The intention of this meeting is to discuss the overall structuring of the financing, including but not limited to; existing CHFA/DOH debt, prepayment, waivers, statutory requirements, etc.

Housing Authorities and other owners whose properties were previously funded with state financial assistance will need to contact the Department of Housing to determine if a release from the original funding program is required and to begin the release process. Conn. Gen. Stat. Section 8-64a requires, among other things, the holding of a public hearing, consultation with existing residents, and relocation planning as applicable. DOH must approve the release from program in advance of the initial closing with CHFA.

All requests to set up a pre-application meeting should be sent to [multifamilydevelopment@chfa.org](mailto:multifamilydevelopment@chfa.org).

## III. Submission and Eligibility

Each applicant shall submit to CHFA a complete LIHTC application package, which includes a completed CHFA/DOH Consolidated Application, all required attachments, and an application fee (as described in the CHFA Multifamily Underwriting Standards, CHFA Multifamily Underwriting Guidelines, and the CHFA Multifamily Procedures). Application due dates will be posted on CHFA's website as well as other media. Applications shall be evaluated and scored based on the criteria outlined in the QAP. Additionally, applications will be evaluated based on Financial Feasibility, Development Team Capacity, Demonstration of Need, and Readiness.

Applicants are eligible to apply if they meet the requirements as specified in CHFA's Program Eligibility Requirements: Delinquent or Non-Performing Applicants, as available on the CHFA website.

A complete LIHTC application must include and/or address:

- 1) A credible financing plan that will identify the total projected development cost (including any land acquisition cost); clear identification of each financing source, including the terms of any proposed financing and the financing source(s) from which the applicant expects to receive funding; and copies of commitment letter(s) for each proposed financing source.
- 2) Development costs for construction, soft costs, developer fees, land, customary capitalized reserves, and equity syndication. In making this determination CHFA shall utilize typical industry data and standards as may be appropriate for each development, given size, complexity, difficulty and location.

- 3) The applicant must be part of a "qualified development team" with documented previous experience in developing affordable multifamily housing. Please see the Construction Guidelines: Project Planning & Technical Review Services and the CHFA Management Agent Approval Requirements for additional Qualified Development Team member requirements. A Qualified Development Team consists of the following team members:
  - (a) Applicant (Owner/Mortgagor) and Developer:
    - (1) Three (3) years relevant experience or three (3) successful projects, whichever is greater, as evidenced in the CHFA/DOH Consolidated Application;
    - (2) If applicable, disclosure of litigation or default on Certifications sheet of the CHFA/DOH Consolidated Application;
  - (b) Architect;
  - (c) General Contractor;
  - (d) Management Agent: One year relevant experience, Year- End Financial Statements, and disclosure of any identity of interest or litigation if applicable; and
  - (e) Consultant (optional qualified development team member): three (3) years relevant experience or three (3) successful developments.Applications for developments containing 15 units or less may be exempt from requirements (a), (b), (c), (d) and/or (e).
- 4) Without the specific approval of CHFA's Board of Directors, LIHTC applications may not be filed by parties, who have as development team members, companies or principals:
  - (a) with non-performing loans with DOH, CHFA, the [Department of Housing and Urban Development](#) ("HUD"), or another Financial Institution;
  - (b) who have failed to comply with the terms of an Extended Low-Income Housing Commitment ("ELIHC") for a development they have previously sponsored or developed; or
  - (c) who have been found to have misused such funds; or
  - (d) who otherwise do not meet the requirements of the Program Eligibility Requirements: Delinquent or Non-Performing Applicants.
- 5) Each applicant and its contractors, subcontractors, and management agents shall agree to comply with:
  - (a) Federal and State executive orders, statutes, regulations, and other requirements of law relating to affirmative action and equal employment opportunity, including (without limitation by reason of enumeration) the requirements that Section 4a-60 of the Connecticut General Statutes imposes on those who enter into contracts to which the State is a party; and
  - (b) CHFA's guidelines, goals and requirements relating to equal employment opportunity, affirmative fair marketing, and other affirmative action programs.
- 6) The sponsors and applicants of the developments must evidence commitment to undertake strong affirmative measures to ensure that the activity funded promotes regional economic, social and racial integration and the integration of persons with disabilities.

## IV. Processing

Applications are sorted into classifications as outlined in CHFA's current QAP.

Within 15 days after the LIHTC application deadline, any applicant with a deficient application will be sent a deficiency notice identifying any missing or deficient Application Criteria items, if applicable. All applicants will be given a cure period, which is usually 14 days, from the date of such deficiency notice to submit all documentation necessary to remedy any deficiencies. Failure to submit such documentation within the allotted time period shall render the application incomplete. Incomplete applications may result in a loss of points or a failure to meet application threshold criteria as cited in the QAP, and the application can be rejected.

## V. Project Selection Criteria and Ranking Procedures

9% LIHTCs are allocated, through a competitive review of applications from affordable housing developers, in accordance with the QAP to the highest scoring non-profit applicants to satisfy the non-profit requirement pursuant to Section 42(h)(5) of the Code. Applicants applying as non-profit sponsored developments will be evaluated, rated and ranked against other non-profit applicants. The non-profit designation is available to those applicants meeting the following criteria as defined in Section 42(h)(5)(c) of the Code:

- 1) The non-profit organization must be a general partner in the partnership or a managing member of the limited liability company that owns the development and participate materially in the development and operation of the development throughout the compliance period. A joint venture between non-profit and for-profit sponsors will be treated as a non-profit organization if such organization is not affiliated with or controlled by a for-profit as defined in Section 42(h)(5)(c) of the Code. The results of the final evaluation and ranking shall be determined by CHFA.
- 2) Each LIHTC application will be reviewed for financial feasibility, including reserves. For 9% LIHTC Developments proposing to carry amortizing debt, operating income must cover expenses, including debt service, during the compliance period and must not be funded by pre-funded reserves. Proposals with high debt service coverages may be requested to increase loan amortizing amounts, increase deferred developer fee, or both in order to increase project funding sources and minimize tax credit allocation amounts.

Generally LIHTC equity proceeds cannot be used to establish operating reserves anticipated to be drawn down on a regular and sustained basis to meet expenses integral to the operation of the proposed development. As such, these reserves are providing protection due to unforeseen circumstances in which rent, rent subsidy programs or other sources cannot pay for expenses and debt service. Reasonable reserves to mitigate real estate risk or to fund possible short-term deficits beyond year 15 may be acceptable.

CHFA allocates non-competitive 4% LIHTCs on a first come, first serve basis to eligible affordable housing projects that are financed with Tax-Exempt Private Activity Bond Program funds, which may be from the State of Connecticut or CHFA.

CHFA's Board of Directors may provide consideration for additional classifications pursuant to the QAP and allocations for these additional classifications may be awarded at times other than during a competitive round.

## VI. Application Review Process

CHFA will allocate 4% and 9% LIHTCs based upon the selection criteria and application ranking procedures set forth in the QAP, with each application undergoing the following review process:

### 1) Application Classifications – 9% LIHTCs

Applications for 9% LIHTCs are grouped into one of two Classifications for evaluation in accordance with the QAP. The Public Housing and General Classifications are used for allocation within the competitive round.

### 2) Tax-Exempt Bond Financing – 4% LIHTCs

Projects with tax-exempt bond financing may receive tax credits without a charge against the State's tax credit ceiling allotment. Nonetheless, projects must satisfy the requirements for allocations under the QAP, CHFA Procedures, Policies, and the Code. If CHFA is not issuing Tax Exempt Bonds, but another governmental unit is, CHFA on behalf of OPM reviews Underwriting for the bonds.

In addition, the governmental unit which issued the bonds may determine the amount of tax credits necessary for the financial feasibility of the project and its viability as a qualified low-income housing project throughout the compliance period. The actual amount of tax credits awarded to the developer cannot exceed the amount CHFA deems necessary for the project's financial feasibility and its viability as a low-income housing project throughout the compliance period.

The amount of credits is limited to the 30% of present value percentage under the Code. Projects with tax-exempt financing are required to obtain a building identification number from CHFA. Such requests must be accompanied by the financing agency's determination of the credit amount.

### 3) Application Criteria

All of the following requirements must be satisfied in total before 9% LIHTC ranking and credit evaluation will occur:

- (a) All applications must meet at least one of the development location criteria as established in the QAP.
- (b) Pursuant to the QAP, all applications must also meet the policy and administrative requirements of CHFA as outlined in the QAP.

### 4) Rental Affordability

For 9% LIHTC applications, points awarded for supportive housing, households at or below 25% AMI, households above 25% and at or below 50% AMI, and mixed income housing will be based on the percentage of qualified units that serve the respective populations.

## 5) Underwriting Criteria

### (a) Operating Budget

#### (1) Rent Restrictions

The proposed development must meet the minimum income occupancy and rent restriction requirements of the Code.

Refer to the HUD Schedule of Maximum Affordable Gross Rent and Income Limits, which can be found on CHFA's website. The applicable gross rent is associated with the fewest number of persons per household for the designated bedroom size. These gross rents include all utilities with the exception of telephone charges. The applicable utility allowance amount must be deducted to arrive at the maximum net affordable rent.

#### (2) Income and Expense Assumptions

When reviewing the Operating Budget and the 15-year cash flow projections, CHFA will review the financing institution's assumptions for reasonableness and may seek additional information. The minimum assumptions to be used are as follows:

- Vacancy Assumptions

**Residential Vacancy** – The vacancy rates will be based on the percentage of the Area Median Income (AMI) of the intended tenant population as of the stabilized year. The stabilized year is defined as the first 12 months after 100% occupancy less vacancy assumption. Specific rates can be found in the CHFA Multifamily Rental Housing Program Guidelines.

**Commercial Vacancy** – Commercial Income Vacancy Rates Allowances may be considered for pre-leased AAA tenants. Rates may be adjusted upward depending on market conditions but can be found in the CHFA Multifamily Rental Housing Program Guidelines.

- Income/Expense Trends

**Income Trends** – Income will be projected on an annual basis to the stabilized year as determined by the financing institution. If the month of the stabilized year indicated by the applicant falls in September through December, the stabilized year will be considered the following year. However, CHFA reserves the right to modify income trends based on relevant information. Commercial space income will be determined based on market data. Other documentation, including Consumer Price Index (CPI) and other indices may be considered.

**Expense Trends** – Expenses may be forecast as determined by the financing institution. However, CHFA reserves the right to modify expense trends based on relevant information. Other documentation, including the CPI and other indices, may be considered. Tax abatement and/or deferment agreements approved by the governing body of the municipality are the only acceptable sources for lower tax trends.

### (b) Development Budget

#### (1) Letter of Attestation

The application budget must be accompanied by a letter from the applicant's tax attorney/accountant stating that he/she has reviewed the budget and that he/she attests to the calculation of eligible basis and sources of funds.

(2) Qualified Census Tract/Difficult Development Areas

If the project is within either a HUD designated "qualified census tract" or "difficult development area," then the eligible basis may be increased by 30% (Basis Boost). These HUD designations are included in the CHFA/DOH Consolidated Application package and on the HUD website. The applicant will need to submit census tract documentation from the local Planning Office or Regional Planning Office.

(3) Developer's Fee

To the extent economically feasible, the developer's fee shall be based on a sliding scale up to 15% of the Total Development Cost as per the CHFA Multifamily Rental Housing Procedures. The developer's fee shall be inclusive of non-profit overhead and exclusive of land, building and syndication fees, capitalized reserves, and pre-development financing costs.

(4) Contractor's Profit, Overhead and General Requirements

CHFA will allow a range of acceptable general requirements, contractor's profit and overhead maximums depending upon the complexity of the job. For specific ranges refer to the Construction Guidelines: Project Planning & Technical Services Review. CHFA will determine the appropriate number for each job.

(5) Construction Cost

The construction costs will be reviewed for overall reasonableness. CHFA will rely on various databases such as, Means cost database, and CHFA's historical construction data as well as evaluating developing labor and materials market conditions.

(6) Consultant's Fees

All consultant fees will be paid from the proceeds of the developer's fee. The definition of consultant includes any person or firm hired for their professional advice in compiling the information and packaging the financial and/or tax credit funding applications and syndication agreements, including historic credit consultants.

(7) Syndication Costs

The costs of syndication shall not exceed a rate acceptable to CHFA based on fees as a percentage of syndication proceeds. Syndication costs include all direct and indirect costs incurred in securing syndication proceeds (i.e. syndicator legal costs).

(8) Construction Contingency

Up to 100% of the amount budgeted for construction contingency may be included as eligible basis as supported by the Letter of Attestation.

CHFA will take into account the combination of tax credits with other subsidies or Federal, State and governmental programs, including but not limited to, the Section 8 Project-Based Vouchers, Preservation and Recapitalization Program, Low-Income Housing Preservation, Resident Homeownership Act, etc., when allocating credits, and CHFA will also allocate credits in accordance with any Federal law or procedures (i.e. HUD Revised Subsidy Layering Guidelines), where appropriate.

CHFA's staff responsible for underwriting both the financing and LIHTC's for CHFA-financed projects shall be subject to an underwriting review by an independent staff member to ensure that an appropriate amount of LIHTCs have been awarded to the development in order to achieve project feasibility.

## **VII. Application Approval and 9% Reassessment Process**

- 1) Approved Applications - If an application is approved by CHFA's Board of Directors, notification is sent, and a Tax Credit Reservation is issued.
- 2) Unsuccessful Applicants - If an application does not receive a LIHTC award, notification of the action and the reasons for its findings is sent, and the application is terminated.
- 3) Reassessment Process - At the conclusion of the 9% LIHTC review scoring and ranking Board approval process, an applicant may apply for reassessment with CHFA to reassess its decisions relating to the acceptance, scoring, or ranking of applications for each reservation cycle.

An applicant may apply for reassessment to CHFA in writing within 90 days following CHFA's Board of Director's funding round approval. The application for reassessment must specifically identify in detail each issue sought to be challenged using the form available on the CHFA website. The applicant's justification for the reassessment must be based on the documents filed with the original application. No applicant may request a reassessment of the evaluation and scoring of another applicant's application.

If the application for reassessment relates to the amount of housing tax credits recommended to be allocated, CHFA will provide the applicant with the application underwriting upon request. An applicant must complete a Freedom of Information Act requesting CHFA's underwriting relating to the subject application.

The application for reassessment shall be submitted to CHFA's President-Executive Director. The reassessment will be conducted by senior staff persons who were not directly involved in the evaluation of the application. CHFA's review staff shall:

- 1) Review the acceptance, scoring, or ranking issue presented in the application for reassessment;
- 2) Determine whether or not the evaluation of the application is consistent with the criteria and other aspects of the QAP, the LIHTC Procedures and other applicable policy and administrative requirements;
- 3) At the discretion of the Board of Directors, reassessments may result in a forward commitment of 9% LIHTC's in accordance with the current Plan and the policy objectives and administrative requirements of CHFA. A successful reassessment will not result in the cancellation of previously approved reservations; and

- 4) An application for reassessment on any given project must be accompanied by a \$5,000 reassessment fee payment. In the event that the application for reassessment is favorably reevaluated the reassessment fee will be fully refunded.

## VIII. Issuing the Tax Credit Reservation

As noted in the CHFA Low-Income Housing Tax Credit Procedures: *“Approved 9% LIHTC applications will receive a Tax Credit Reservation, which must be executed by the applicant and returned to the Authority within the time period stated therein, along with a portion of the Tax Credit Servicing Fee.”*

### 1) A Tax Credit Reservation

The tax credit reservations will be awarded according to ranking within each Classification based upon the credits available for the particular funding decision period.

Upon CHFA’s Board of Directors approval, the applicant will receive a Tax Credit Reservation setting forth the annual credit amount. This reservation must be executed by the applicant and submitted to CHFA with the appropriate Tax Credit Servicing Fee. The reservations will be issued at the end of each funding decision period to all approved applicants.

Any developments that receive a reservation will be required to submit a professional appraisal and market study. Refer to Section VII, **Appraisal and Market Study** for additional information.

### 2) Carryover Allocation Agreement/Allocation Form 8609

Prior to the end of the allocation year, CHFA will issue a Carryover Allocation Agreement to applicants with credit reservations. A Carryover Tax Credit Allocation Agreement will be issued when the applicant has satisfied Section 42(h)(1)(E) of the Code for each qualified building, which is part of the project. LIHTC Allocations will be made by CHFA with IRS Form 8609. Developments placed-in-service during the year of the Tax Credit Reservation will receive a Form 8609.

The Carryover Tax Credit Allocation Agreement allows the applicant two (2) years to complete projects and have the units placed-in-service.

Owners are encouraged to secure building permits (where required by local law) by the end of the first calendar year after the allocation is made. Failure to do so may result in a rescinded allocation.

In order to be eligible for a Carryover Allocation, the applicant must:

- (a) Form its ownership entity (i.e. file a certificate of limited partnership or other organizational document with the Secretary of the State).
- (b) Document that the project satisfies the 10% test prescribed by the Code; for purposes of meeting the 10% test:
  - i. CHFA’s Tax Credit Servicing Fee is not includable in the development’s basis.

- ii. For Developer's Fees to be included in basis, the applicant must provide reasonable and adequate documentation of the services for which the fee has been paid and accrued.
- iii. Reasonable Construction Interest costs will be recognized by CHFA
- iv. The schedule of project costs must specify those costs included in the development's basis and must be accompanied by a certified public accountant's audit report on the schedule. Such audit must be conducted in accordance with generally accepted auditing standards and the auditor's report must be unqualified.
- v. The applicant must have a certificate prepared by a certified public accountant or an attorney in accordance with the requirements of Section 1.42 – 6(c) of the Treasury Regulations stating that the 10 percent test has been met.
- vi. Establish development financial feasibility; and
- vii. Remit the balance of the Tax Credit Servicing Fee.

### 3) Cost Certification

Upon a development's completion, the owner must submit a LIHTC cost certification documenting the actual total project cost. A General Contractor's cost certification is also required. Please refer to the Cost Certification Guidelines for additional information.

### 4) 8609 Issuance

A Form 8609 is a tax credit allocation and must be filed in the appropriate year with the IRS.

CHFA will issue Form(s) 8609 upon review and acceptance of cost certification. The amount of tax credits originally reserved will be reduced accordingly if the review of the certified costs shows the financing gap is less than the one originally projected. The tax credit amount will not change if the certified costs are higher than the estimated project costs, unless the owner applies for an additional allocation due to reasonable unforeseen hard cost overruns. Applicants wishing to apply for additional allocations should refer to the LIHTC Procedures as well as Section VIII. **Issuing Additional Tax Credit Allocations** section of these Guidelines.

The final credit amount referenced in the Form 8609 is based upon the Tax Credit Percentages elected by the owner through a binding agreement, such as the Carryover Allocation Agreement, or established for the month when the building is placed-in-service. For projects financed with tax-exempt bonds, the owner may elect to set the Tax Credit Percentage as of the month in which the tax-exempt bonds are issued or at the time of a building's placement in service.

All outstanding fees must be received prior to the issuance of the Form 8609.

## IX. Appraisal and Market Study

CHFA requires independent, professional market study(ies) and appraisal(s) on all multifamily rental housing developments being considered for mortgage financing. CHFA commissions the market study and appraisal from an approved list maintained by CHFA. Applicants shall make full payment for the market study(ies) and appraisal(s), payment is non-refundable. If an applicant is a not-for-profit organization and the proposed development contains 15 units or less CHFA may accept market analysis and/or appraisal prepared by an alternate source..

## X. Issuing Additional Tax Credit Allocations

A Carryover Allocation is an allocation of LIHTCs under the Code. Applicants for additional 9% LIHTC allocations that have previously received a Form 8609 are placed in the appropriate classification, will compete, and will be ranked against other applicants requesting an additional allocation in that funding round, assuming 9% LIHTCs are available after all first-time applicants have received consideration and a credit reservation is approved by CHFA's Board of Directors.

## XI. Compliance Monitoring

All qualified LIHTC developments are subject to review pursuant to CHFA's compliance monitoring procedures established in the QAP and all other applicable agreements.

- 1) Failure to comply with the compliance monitoring procedures is an event of default and treated as noncompliance.
- 2) Subsequent to the time of allocation, all Applicants/Owners shall execute an ELIHC with CHFA and record it in a priority position on the land records prior to the end of the first year of the tax credit period. In the case of projects for which CHFA is providing a mortgage loan, the ELIHC shall be executed at the time of the initial loan closing. The ELIHC will include a provision requiring all liens on the property be subordinate to the low-income use restrictions. The ELIHC sets forth the number of low-income and rent restricted units in the project, the parameters defining a qualified tenant, the resale restrictions, the term that the units will remain qualified, the default and remedies governing the rent restricted units.
- 3) Should the development fail to place-in-service, the owner will enter into an agreement with CHFA to return the credits.
- 4) Refer to the LIHTC Compliance Reporting Requirements available on the CHFA website for additional requirements.

## XII. Tax Credit Servicing Fee Schedule

CHFA's staff establishes a Schedule of Fees ("Schedule") annually, and applicants must be in compliance and agree to remain in compliance with this Schedule. The amount of the Tax Credit Servicing fee is based on a percentage of the annual tax credit dollar amount and will be stated in the Tax Credit Reservation. The Tax Credit Servicing Fee is nonrefundable unless the development fails to be placed in service and the owner enters into an agreement with CHFA to return the LIHTCs. CHFA reserves the right to impose additional fees at any time for compliance monitoring or other purposes in implementing the requirements of the Code.

A servicing fee in the amount of 8% of the annual allocation is to be paid as follows:

- 1) For-profit Applicant
  - (a) 50% of the tax credit fee is due upon reservation, or in the case of 4% tax-exempt projects at the time just prior to the issuance of the 8609's; and
  - (b) The remaining 50% is due at the time of allocation of the tax credit.

- (c) Either at the time the Carryover Allocation is executed or the placed-in-service date, whichever occurs first.
- 2) Non-profit Applicant
  - (a) 25% of the tax credit fee is due upon reservation, or in the case of 4% tax-exempt projects at the time just prior to the issuance of the 8609's; and
  - (b) The remaining 75% of the tax credit fee is due at the construction loan closing or syndication closing, whichever occurs first.

### **XIII. Financing Fees Schedule**

Refer to the Multifamily Financing section of the CHFA website for information regarding Financing Fees and the associated schedule.

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Any questions relating to this document can be sent via email to: [multifamilydevelopment@chfa.org](mailto:multifamilydevelopment@chfa.org)