

Schedule D, Section 1**A. Private Activity Tax-Exempt Bond Financing (“Bonds”) Requirements**

1. Developments that do not receive a direct allocation from the Authority because such Developments qualify for the RHTC pursuant to the Code (by virtue of being 50% or more financed with tax-exempt obligations issued after December 31, 1989) must satisfy and comply with all requirements for an allocation under this Allocation Plan and the Code. All applicants will be required to meet the threshold and scoring criteria of the Allocation Plan including but not limited to the following:
 - a. Applicant must submit the Multi-Family Housing Finance Application on the application date(s) stated in the Allocation Plan.
 - b. The Authority will not accept requests for tax-exempt bonds for a development without an accompanying request for 4% rental housing tax credits.
 - c. Minimum scoring threshold for Bond Developments is 40.
 - d. Developments will be limited to a maximum of \$35,000,000 in bonds, while applicants will be limited to a maximum of \$80,000,000 in bonds in a calendar year. If the Authority determines that in its sole and absolute discretion it is in the interest of the State to allocate additional bond volume to such person, entity, or Development, then the Authority, with approval from the Indiana Finance Authority (IFA), may waive such limitation. *(Policy regarding maximum bond amount per development and per calendar year subject to final approval; RED Notice will be issued upon final approval.)*
 - e. Applicants proposing rehabilitation, the rehabilitation hard costs must be in excess of \$20,000 per unit.
 - f. Applicants who are awarded bonds must file a Notice of Issuance by the date established in the Determination Letter.
 - g. Bond counsel on the transaction must be an Indiana firm.
 - h. There will be an Application Fee, payable by the developer. Due on or before the application deadline date to the Authority.
 - i. Local Units of Government must pass a resolution prior to application submittal stating they will support and issue the Bonds. The Inducement Resolution must be submitted with the Application package (this does not apply if IHCD will be the issuer). Place in Tab B.



- j. Applicants proposing an Acquisition/Rehabilitation development must submit an Attorney’s Opinion showing all buildings satisfy the 10-year general look-back rule of IRC Section 42(d)(2)(B) or that the buildings qualify for the acquisition credit based on an exception to this general rule [e.g. Section 42(d)(2)(D)(ii) or Section 42(d)(6)]. Place in Tab B.
 - k. Within 30 days after the date of the Determination Letter, the Applicant must pay a reservation fee to the Authority. This fee is payable in addition to the Application fee and equals six and half percent (6.5%) of the annual anticipated amount of RHTCs for the Development or \$15,000, whichever is greater.
 - l. The Authority must approve all tax-exempt bond applications and any changes in ownership in accordance with Schedule B of this Allocation Plan.
 - m. Escrow closings will not be permitted under any circumstance.
2. The Indiana Housing and Community Development Authority’s primary criteria for evaluating tax-exempt multifamily bond financed developments will include: 1) state and local market conditions related to housing; 2) the physical features of the development; 3) financing structure of the deal; and 4) development, financial and management team qualifications. The Authority will award bonds in its sole discretion based on the above criteria.
- a. The Authority reserves the right to NOT award bonds to a proposed development for any reason.
 - b. The Authority strongly encourages applicants to consider the amount of time and various parties required to complete a bond transaction.

B. Private Activity Tax-Exempt Bond Financing (“Bonds”) Requirements – IHCD as Issuer

1. IHCD has the authority to directly issue Multifamily tax-exempt and taxable bonds. Given this ability, the Authority will review all deals prior to application and reserves the right NOT to issue bonds on the behalf of said development if the deal does not pass internal guidelines. In addition to the guidelines set forth in Schedule D, Section 1, the stipulations below will also apply to deals in which IHCD acts as the Issuer. Also, complete Form J.
- a. In addition to the fees listed in Schedule D, Section 1, an additional one percent (1%) of the total bond issuance will be charged to cover IHCD costs and be payable at the closing of the bonds. The applicant is also responsible for paying for issuers counsel. IHCD reserves the right to charge a lower fee depending on the structure of the bonds.

- b. Applicants must schedule a meeting with the Authority no less than thirty (30) days prior to the application due date to discuss the deal and the possibility of the Authority assuming the role of Issuer for said transaction.
- c. The use of the Authority as the Issuer will not give priority to such deals over deals in which IHCDAs does not assume this role.