Schedule D- Noncompetitive Process for Private Activity Tax-Exempt Bonds and 4% LIHTC without AWHTC

Tax-exempt bonds and 4% Low Income Housing Tax Credits ("LIHTC") without Affordable and Workforce Housing Tax Credits ("AWHTC") will be awarded through a rolling, non-competitive round while volume is available during application windows as defined in Part 7.2 of the QAP. IHCDA may shut down the non-competitive round at any time via release of a RED Notice.

Requests for tax-exempt bonds and 4% credits with AWHTC will be awarded through a separate competitive application round. See the terms in Schedule D1.

A. Application Process

1. Applicants must submit one application to request all sources (tax-exempt bonds, 4% LIHTC, and any other supplemental funding). **IHCDA will not accept requests for tax-exempt bonds without LIHTC.**

2. Applicants must follow the application instructions of the Qualified Allocation Plan ("QAP"), including the instructions in Schedule G "Application Package Submission Guidelines."

3. Applicants must agree to use IHCDA as bond issuer and must submit Form J along with the application.

B. Funding Limitations

a. Applications will be limited to a maximum request of $~~35~~45,000,000 in tax-exempt bonds. Applicants will be limited to a maximum request of $90,000,000 in bonds in a calendar year. If IHCDA determines it is in the interest of the State to allocate additional bond volume to one entity, then IHCDA may waive such limitation.

b. The tax-exempt bond request must represent at least 50%, but no more than 55%, of the aggregate basis of the building and land of the development. If federal legislation amends the 50% test, IHCDA will issue a RED Notice revising this requirement as appropriate.

c. Applicants may request additional IHCDA gap sources in the form of a Development Fund and/or HOME loan, if eligible, per Schedules E and J of the QAP.

C. Threshold Requirements

Applicants are required to meet all existing threshold requirements of the QAP, with the addition of the following requirements:

a. Minimum score to pass threshold is 50.

b. Bond counsel on the transaction must be an Indiana firm.

c. To be eligible for 4% RHTC, the tax-exempt bond request must represent at least 50%, but no more than 55%, of the aggregate basis of the building and land of the development. The Applicant must provide IHCDA with an opinion of counsel stating that the applicant is not required to obtain an allocation of tax credits from IHCDA and that the proposed Development meets the requirements of the Qualified Allocation Plan and the Code, including the 50% bond test.

D. Scoring Criteria

IHCDA will utilize the existing scoring requirements of the QAP, with the following exceptions:

a. Applications will not be scored under the following scoring categories:
   i. 6.2J Tax Credit Per Unit
   ii. 6.4C Unit Production in Areas Underserved by the 9% LIHTC Program

b. Applications will be scored under an additional scoring category based on the development entity's experience using 4% LIHTC/tax-exempt bonds in Indiana.

   i. An application will receive 4 points if the development entity identified as the Developer on the tax credit application has been issued IRS Form 8609 for at least one development in Indiana that utilized tax-exempt bonds and 4% LIHTC and for which the placed-in-service date is no more than 5 years prior to the application due date; or
   ii. An application will receive 2 points if the development entity identified as the Developer on the tax credit application has been issued IRS Form 8609 for at least one development in Indiana that utilized tax-exempt bonds and 4% LIHTC and for which the placed-in-service date is more than 5 years, but no more than 10 years, prior to the application due date.

   If a development consists of multiple buildings with multiple placed-in-service dates, scoring will be based on the last placed-in-service date.

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~~D.~~E. Tax-Exempt Bond Requirements- Closing Requirements, Deadlines, and Fees

a. Escrow closings will not be permitted under any circumstance.

b. Applicants who are awarded bonds must file a Notice of Issuance by the date established in the Determination Letter. Applicants must close on bonds within six months of the date of the Determination Letter. Applicants who fail to meet this closing deadline may request a three-month extension. IHCDA will allow no more than two extensions, for a maximum extension of six months beyond the original deadline. Each extension request is subject to an extension fee as outlined in Section 7.2(C) of the QAP ($1000 for the first extension request and $1500 for the second extension request). If the Applicant has not closed by the end of the second extension deadline, they must return the bond volume and credits and reapply.

c. An issuance fee equal to 0.5% of the total bond issuance will be charged to cover IHCDA costs. Such fee is payable at the closing of the bonds. The Applicant is also responsible for paying for issuer's counsel.

~~E.~~F. Refunding of Bonds

An owner may request a refunding of bonds by submitting the following information to IHCDA:

- Request letter
- Three years of fiscal year-end financial statements for the project.
- Payment of a $1,500 modification fee via the online payment portal.

IHCDA will inspect the project prior to approval. Bond refunding must be approved by IHCDA's Board of Directors.