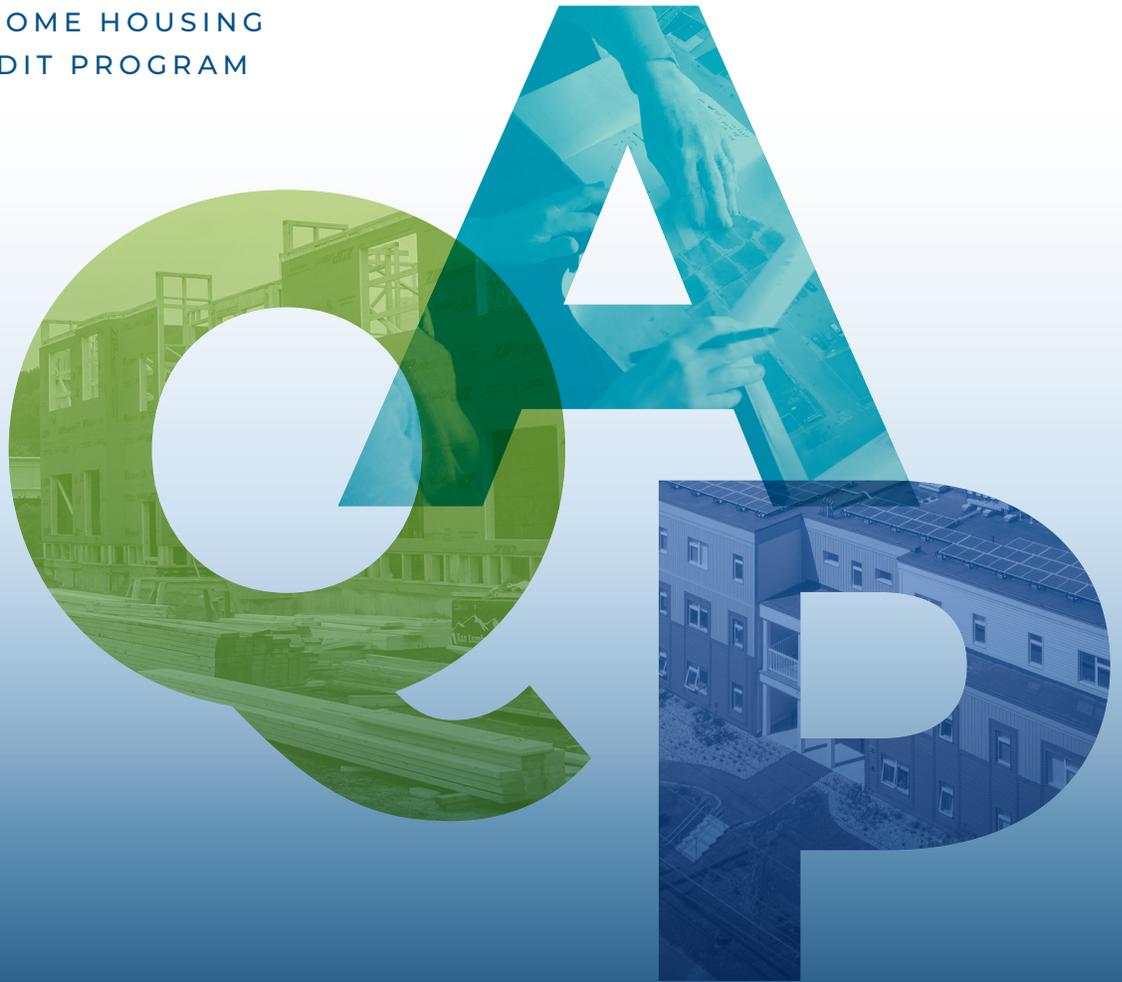


EFFECTIVE DATE: March 16, 2026

NEW HAMPSHIRE QUALIFIED ALLOCATION PLAN

HFA 109

LOW-INCOME HOUSING
TAX CREDIT PROGRAM



NEW HAMPSHIRE
HOUSING

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**NEW HAMPSHIRE
QUALIFIED ALLOCATION PLAN
LOW-INCOME HOUSING TAX CREDIT PROGRAM**

**Program Rules
HFA 109**

HFA 109.01 INTRODUCTION

The Low-Income Housing Tax Credit (LIHTC) program is currently the nation's single largest source of federal support to create and preserve affordable rental housing. The program was established under Section 42 of the Internal Revenue Code (IRC §42) in 1986.

The Internal Revenue Service allocates LIHTCs to each state on a per-capita basis. Each state authorizes a designated agency (allocating agency) to award LIHTCs through a competitive process set forth in the state-specific Qualified Allocation Plan (HFA 109).

In the State of New Hampshire, New Hampshire Housing Finance Authority (NH Housing) is the allocating agency. NH Housing has adopted this Qualified Allocation Plan (QAP) to define the standards and procedures by which LIHTCs will be awarded in New Hampshire.

This QAP is in effect until it is repealed or replaced.

HFA 109.02 PRIMARY ALLOCATION PRIORITIES

NH Housing uses the U.S. Department of Housing and Urban Development's (HUD) Consolidated Plan process to evaluate the state's affordable housing and community-development needs, as well as market conditions. The priorities articulated in this QAP are based on conclusions contained in the 2026-2030 Consolidated Plan, engagement with stakeholders, and public input.

The priorities for this QAP are listed below.

- Cost containment
- New construction (adding new units to housing markets)
- General occupancy housing
- Readiness to proceed (i.e., ability to start construction in a relatively short period)
- Nonprofit sponsored housing
- High quality of construction
- Projects that achieve broad community development objectives, including smart growth and neighborhood revitalization
- Projects that benefit underserved populations and communities
- Projects that benefit communities that have been disproportionately impacted by the housing shortage, including persons with disabilities and persons experiencing homelessness

Additionally, the LIHTC program includes statutory preferences and selection criteria (see IRC §42(m)(1)(B) and (C)) that must be considered in the QAP. These preferences and selection criteria are listed below and are incorporated throughout this QAP.

Statutory Preferences:

- Developments serving the lowest income tenants;
- Developments affordable for the longest periods of time; and
- Developments located in Qualified Census Tracts that contribute to a concerted community revitalization plan.

Statutory Selection Criteria:

- Project location;
- Housing needs characteristics;
- Project characteristics;
- Sponsor characteristics;
- Tenant populations with special housing needs;
- Public housing waiting lists;
- Tenant populations of individuals with children;
- Projects intended for eventual tenant ownership;
- Energy efficiency of the project; and
- Historic nature of the project.

Program Access

NH Housing is committed to removing barriers for the development of affordable housing to broaden program access for all developers.

HFA 109.03 LIHTC AVAILABILITY AND SET-ASIDES

A. LIHTC Availability

New Hampshire's annual allocation authority for 9% LIHTCs is determined by the U.S. Department of the Treasury based on a fixed rate per resident, adjusted for inflation. This "Housing Credit Ceiling" will be published as an Internal Revenue Service Revenue Procedure, and a link will be posted on NH Housing's website. Although the 4% tax credits (LIHTCs) are not strictly capped, they must be accessed via Tax-Exempt Private Activity Bonds (Tax-Exempt Bonds) - which themselves *may* be limited and subject to fluctuations - so no fixed amount is published.

B. Nonprofit Set-Aside

IRC §42 requires that at least **10%** of New Hampshire's annual 9% LIHTC allocation be set aside and allocated to qualified nonprofit organizations that:

- Meet the tax-exempt requirements of IRC 501(c)(3) or (c)(4);
- Own a controlling interest in a project and materially participate in the development and management of the project throughout the compliance period; and
- Have exempt purposes, including the fostering of low-income housing.

Wholly owned affiliates of a nonprofit are eligible as qualified nonprofit organizations.

The nonprofit set-aside is generally satisfied through the QAP scoring process. However, since the state's entire allocation authority is predicated by IRC §42 on meeting the minimum 10% nonprofit set-aside, one or more projects to be developed by qualified nonprofit organizations may be selected over higher scoring applications until the 10% set-aside requirement is met.

C. Supplemental Set-Aside

\$90,000 of the annual 9% LIHTC allocation shall be set aside for projects returning for supplemental LIHTCs after having received a reservation or allocation of LIHTCs. Requests for supplemental credits can be up to **\$30,000 per project**. A written request must be submitted to NH Housing supporting the need for supplemental credits.

The decision to award supplemental LIHTCs and the amount (which may exceed the stated request limit, at the discretion of NH Housing) will be made by NH Housing staff in its sole discretion. To be eligible for supplemental LIHTCs, a project must meet at least one of the following criteria and submit an updated NH Housing financing application, along with supporting documentation with the request:

- It incurred or faces substantial and unforeseen cost increases;
- It is subject to an unanticipated reduction in equity yield on the sale of the LIHTCs;
- Supplemental LIHTCs would reduce the level of NH Housing capital subsidy funding;

- Supplemental LIHTCs would improve the project's financial feasibility and ensure compliance with NH Housing's Underwriting Standards and Development Policies for Multifamily Finance.

Any amounts of the supplemental set-aside pool remaining after September 1 of each year, may be made generally available. Additionally, if tax credits are still available after the 9% LIHTC reservations are approved, NH Housing staff can make additional supplemental reservations under these program guidelines.

HFA 109.04 PRIMARY PROGRAM POLICIES

Primary program policies apply to both 4% and 9% LIHTCs, unless otherwise noted.

A. Maximum Amount of LIHTC per Project (9% LIHTC only)

The maximum LIHTC allocation that a **general occupancy** project may request in any single funding round is **\$942,000**. The maximum LIHTC allocation that an **age-restricted** project may request in any single funding round is **\$706,000**. NH Housing reserves the right, in its sole discretion, to allocate a higher allocation amount to any one project in order to broaden the reach of NH Housing-administered resources. LIHTC allocation amounts for projects funded with 4% LIHTCs and tax-exempt bonds are not limited.

The competitive application process also serves as the mechanism for applying for capital subsidy administered by NH Housing. Capital subsidy available may include funds from the HOME Investment Partnerships Program, federal Housing Trust Fund, state Affordable Housing Fund and/or other sources that may become available. Applicants may not request a specific source of NH Housing capital subsidy. Please refer to NH Housing's Underwriting Standards and Development Policies for Multifamily Finance for capital subsidy limits and other requirements.

B. Maximum Number of Applications and Projects

No applicant (defined as a principal, general partner, property owner and/or development agent) may submit more than one 9% LIHTC project application in an application round, *including in the preliminary application round*, unless it is a request for supplemental LIHTCs for a previously approved project.

NH Housing will not accept a new 9% LIHTC application if an applicant (including any principal, general partner, property owner and/or development agent) has two or more LIHTC projects (including both 4% and 9%) that have not yet been completed. A complete project is one for which the municipality has issued a Certificate of Occupancy for all buildings. Projects that utilize tax-exempt bonds combined with 4% LIHTCs, and do **not** include capital subsidy administered by the New Hampshire Housing, will be excluded from the project count.

C. Per-Unit Cost Standards and Housing Investment Limits

Project applications will be evaluated for cost reasonableness. Applications which indicate unreasonably high total or specific line-item development costs may be revised by NH Housing

staff for underwriting purposes or may be rejected. Applications that do not meet the limits in this section will be rejected (absent an approved waiver – See HFA 117 Waiver Rules).

Cost reasonableness will also be evaluated using an index, which is the standard Weighted Average of the Total Development Cost (TDC) per net new unit and the TDC per bedroom. For mixed-use projects, the TDC for only the residential portion of the project, including common areas, will be used for this calculation. The standard Weighted Average will be calculated as follows.

$$([2 \times \text{TDC/unit}] + [\text{TDC/bedroom}]) \text{ divided by } 3$$

The outcome of this calculation will be referred to throughout this document as the “TDC Weighted Average.” The TDC Weighted Average may not exceed **\$397,000**.

Projects that meet one of the criteria listed below automatically qualify as a “high-cost” project. The TDC High-Cost Weighted Average may not exceed **\$425,000** for projects that:

- Are adaptive reuse projects;
- Utilize Historic Rehabilitation Tax Credits;
- Are located on a site that meets the Environmental Protection Agency definition of a brownfield site;
- Are required to comply with the Build America, Buy America Act (BABA);
- Are designed and built to achieve Passive House certification;
- Face an inadequate bidder pool, impeding a competitive bid process; or
- Are located in Grafton, Carroll, or Coos County.

Documentation must be submitted with the application to demonstrate how the project qualifies for the high-cost category. The submission must be thorough and provide sufficient evidence.

The total development cost per unit (not weighted) may not exceed **\$464,000**.

The investment limit (NH Housing capital subsidy funds plus LIHTC equity) for all projects is **\$315,000** per unit with the exception of projects targeting households earning at or below 30% of Area Median Income (AMI), which will be evaluated on a case-by-case basis.

Applicants may not request a specific source of NH Housing capital subsidy. **Applicants should assume the most restrictive funding source (e.g. HOME), which requires compliance with BABA and other federal requirements.** If at the time of financing commitment or thereafter, BABA compliance is not required, a project will no longer be categorized as high cost (unless it qualifies under other high-cost provisions) and must comply with the standard TDC Weighted Average per-unit limit. NH Housing staff may, in their sole discretion and for good cause, approve an exception to the requirement reclassification from the high-cost category to the standard cost category.

The investment limit is evaluated based on projected equity pricing and NH Housing subsidy at the time of application; subsequent changes in equity pricing will not trigger a re-evaluation of

a project's compliance with this limit. NH Housing reserves the right to evaluate equity pricing included in an application for reasonableness and consistency with the market. NH Housing, at its sole discretion, may allow the investment limit to be exceeded after application due to other circumstances determined to be beyond the control of the developer (e.g., HUD Income Limit or Utility Allowance fluctuations). If a supplemental or additional credit allocation is made to a project in this or subsequent years, NH Housing has the authority to use the most recent investment limits in evaluating and allocating tax credits and other NH Housing resources to the project.

D. Preservation/Recapitalization Project Initiative (9% LIHTC only)

The **Preservation/Recapitalization** Project Initiative limits the requested LIHTC allocation amount to **\$470,000** in any single application funding round. Preservation Projects are existing housing properties that have been funded with federal subsidies and are currently subject to recorded regulatory documents limiting unit rents and/or tenant incomes. *A Capital Needs Assessment must be submitted with the application.*

Preservation projects must submit both a 9% and 4% LIHTC application at the time of preliminary application (HFA 109.05.A) to establish the need for 9% credits. Projects that are determined by NH Housing to be feasible using 4% credits may be converted in accordance with HFA 109.08.C.

Preservation/Recapitalization Projects compete with all other project applications for points under the scoring criteria listed in HFA 109.07 as well as the points listed in the Preservation Scoring Matrix (Appendix J). In order to be eligible for a reservation of 9% LIHTCs, a preservation project must meet the minimum points threshold specified in HFA 109.06.N. In the case of a scoring tie, the project with the most points from the Preservation Scoring Matrix (Appendix J) is favored.

E. Developer Fee

The maximum developer fee allowed is calculated in accordance with the Developer Fee Schedule in NH Housing's [Underwriting Standards and Development Policies for Multifamily Finance](#).

F. Basis Boost

The 130% basis boost will be available to both 4% and 9% LIHTC projects located in HUD-designated Difficult to Develop Areas (DDA) or Qualified Census Tracts (QCT). The list of Difficult to Develop Areas and Qualified Census Tracts eligible for the basis boost may be found at www.huduser.gov/portal/datasets/qct.html. The most current lists available at the time of the submission of a complete application must be used to determine if a project is located in a DDA and/or QCT.

Projects applying for 9% LIHTCs, which require the 130% basis boost to be financially feasible and reserve at least 25% of the total units to households with incomes at or below 50% of area median income (AMI) will qualify for the boost.

Projects applying for 9% LIHTCs, which require the 130% basis boost to be financially feasible and are located in a rural area as determined by NH Housing, will qualify for the boost. A list of qualifying rural areas can be found on NH Housing's [website](#).

Projects funded with 4% LIHTCs and tax-exempt bonds will qualify for the basis boost only if they are located in a DDA or QCT. If federal law changes to allow for a broader application of the basis boost in 4% LIHTC projects, NH Housing may allow these projects to use the basis boost options outlined above, in accordance with applicable law, without requiring formal revisions to the QAP or approval from Board of Directors or the Governor.

G. Tax-Exempt Bonds Combined with 4% LIHTC Applications

Applications for Tax-Exempt Bonds combined with 4% LIHTCs must satisfy all requirements in the QAP, including threshold criteria, unless otherwise indicated.

Because 4% LIHTCs are not subject to allocation limits, these applications will not be scored for a LIHTC allocation and will only be scored when requesting Project-Based Vouchers and/or NH Housing capital subsidy through a published Notice of Funding Opportunity (NOFO), when one or both are available (as identified in the NOFO). In the event that Tax-Exempt Bonds become limited, NH Housing reserves the right to include bond scoring criteria in the NOFO. Applications for Tax-Exempt Bonds combined with 4% LIHTC without a request for NH Housing capital subsidy will be accepted either on a rolling basis or through a published NOFO.

HFA 109.05 APPLICATION PROCESS

A. Preliminary Applications and Letter of Intent to Apply (9% LIHTC only)

Preliminary applications and letters of intent to apply (and required minimum supporting documentation) are mandatory for all projects in each 9% LIHTC round regardless of whether such documents were submitted in a previous round. NH Housing will post the minimum submission requirements no later than May 1 of each year.

The submission of a preliminary application and letter of intent to apply will trigger NH Housing to commission an abbreviated HUD Environmental Checklist to be completed by a third-party professional, selected by NH Housing. There will be a fee due for this checklist which is payable *directly to the vendor*; see HFA 109.09 and the NH Housing Fee Schedule for more information.

Any potential environmental issues raised in the abbreviated HUD Environmental Checklist must be discussed with NH Housing staff. Applicants may be charged additional fees for follow up work directly with the third-party professional.

B. Application Schedule (9% LIHTC only)

The Application Schedule will be published on NH Housing's website no later 90 days before the preliminary application due date. The schedule includes important information and deadlines, such as information sessions, application deadlines and reservation timeline.

C. Application Submission (9% LIHTC only)

The Preliminary and Final Application Process Summary, Preliminary Application Minimum Exhibit Requirements, and Final Application Minimum Exhibit Requirements will be published on NH Housing’s website no later than 60 days prior to the preliminary application due date.

NH Housing may, at its sole discretion, permit applications to immediately correct minor defects within their submission, using a cure period provision outlined in the Preliminary and Final Application Process Summary.

Upon receipt of a final application, as required by IRC §42, NH Housing will notify the “Chief Executive Officer” of the municipality where the proposed project would be located. The notice will allow a defined period of time to submit comments to NH Housing. The proposed project will not be disadvantaged if no response is received.

HFA 109.06 THRESHOLD CRITERIA

Projects (4% and 9% LIHTC, unless otherwise noted) must meet the threshold criteria listed below at the time of application in order to be scored and considered for a reservation and allocation of LIHTCs. Projects may be rejected at any time during the review and allocation process for failure to meet threshold criteria.

A. Site Plan Approval

The proposed project must have been granted site plan approval prior to the time of final application. Applicants must submit copies of local approval decisions (Notice of Decision or equivalent) issued by the municipal authority along with a permit status letter from the project engineer or sponsor’s attorney **indicating that the approval meets the requirements of RSA 676:4, I(i)**. This letter must also reference the date(s) on which Planning, Zoning, Historical, Conservation, and/or other approvals were granted and provide a narrative speaking to the satisfaction of any conditions, including expiration, of approval(s).

B. Feasibility and Eligibility

The NH Housing financing application must be **completed in full**, including identification of all development sources of funds and construction timeline/flow of funds. The proposed project must be in compliance with the requirements in the QAP, including the primary program policies in section 109.04. The proposed project must be considered feasible from a financial and regulatory standpoint, including being in compliance with NH Housing’s [Underwriting Standards and Development Policies for Multifamily Finance](#).

C. Market Demand

Potential market demand must be supported by a market study prepared by a qualified third party. The proposed project must not negatively affect an existing publicly assisted affordable rental property. **Market studies shall be commissioned by the Sponsor.** NH Housing will review all market studies and reserves the right to accept the study or request revisions. Market study requirements can be found on our [website](#).

For phased projects (see 109.06.E. for definition of phased project), in addition to a market study, the experience of the prior phase(s) will be taken into consideration when determining adequate market demand.

D. Capacity

The project's Developer/Sponsor, general partner and management agent must demonstrate the **capacity, experience, and ability to successfully complete the project** and meet the following criteria.

- The Sponsor must have direct experience developing a LIHTC project.
- The Sponsor must have successfully completed a multifamily development project.
- If the Sponsor does not meet the requirements above, an experienced, qualified consultant shall be hired by the Sponsor to assist the Sponsor from the time of application creation to construction completion.
- Have appropriate staffing and/or consultant in place to complete the proposed project.
- Have started construction within six months from the date of the carryover allocation on a current project.
- Be compliant or otherwise not in default with this or any other NH Housing program as determined by NH Housing.
- Have no history of noncompliance in LIHTC or other NH Housing programs.
- Have met the specific requirements of the Land Use Restriction Agreement (LURA) for previous projects.
- Have no significant negative LIHTC history with other state allocating agencies.

Sponsors must disclose whether any member of the development team (including the investor) has been involved in any of the following activity.

- Transfers of ownership or interest (including qualified-contract requests) that resulted in affordable housing being converted to market-rate before the end of the original affordability period in New Hampshire.
- Litigation regarding transfers of ownership or interest in affordable housing in New Hampshire before the original affordability period ends.
- Lawsuit against a general partner and/or nonprofit sponsor challenging the exercise of the LIHTC right of first refusal or right of first option.
- Lawsuits seeking to remove the general partner or managing member of the LIHTC limited partnership unless there is clear evidence of fraud or serious mismanagement by the general partner/managing member. (For this provision, actions taken to preserve affordability of a LIHTC property or to further the charitable mission of the nonprofit sponsor do *not* count as "serious mismanagement.").

E. Completion of Prior Phase (9% LIHTC only)

If a phased project, completion of any prior phase is a threshold requirement. The earlier phase(s) of the project must be **complete and rent-up must be substantially completed** (meaning that at least 50% of units have been leased – all lease documents have been fully executed and move-in is completed or scheduled for move-in within two weeks of the application deadline). The Sponsor is required to submit documentation to show that this

threshold criterion has been met. Renovation of existing projects that are already leased up are excluded from this requirement.

A phased project is defined as one portion of an existing or planned development that is intended to be operated with another building(s) at or adjacent to the site, with or without shared amenities. Phased projects typically share a common access road and are commonly managed by the same management company, although each phase may have separate ownership entities and distinct parcels of land.

F. Site Control

Applicant must have **secure site control**. Site control may be in the form of an executed Option to Purchase, Agreement to Enter into a Lease, or other legal form of site control.

G. Cost Reasonableness

Proposed **development and operating budgets** must be reasonable and comply with NH Housing's Underwriting Standards and Development Policies for Multifamily Finance and is consistent with project data maintained by NH Housing. NH Housing staff reserves the right to require revisions to the budgets. The project application must meet the investment limit and per-unit development cost limits outlined in this QAP.

H. Readiness

The following items must be submitted with the application to document **readiness**.

- Equity investor letter of interest.
- Detailed scope of work with current (within six months) cost estimates.
- Schematic Design Plans and Specifications.

For both 9% and 4% LIHTCs, a **schedule and timeline will be required** at the time of application, that shows the estimated date each item in the Progress Phase requirements will be completed. 9% LIHTC projects refer to Appendix A and 4% LIHTC projects refer to the Notice of Funding Opportunity.

I. Service Coordination (9% LIHTC only)

Service Coordination is a threshold requirement for all 9% LIHTC projects to provide all residents the opportunity to access appropriate services, which promote self-sufficiency and maintain independent living. Service Coordinators connect residents to needed services, develop and implement strategies to build community among diverse residents, and develop partnerships to make programs and services more accessible to meet the needs of residents. Incorporating Service Coordination into the ongoing management of the project assists in maintaining the fiscal and physical viability of the project. In lieu of submitting a Service Coordination Plan and Budget, Sponsors may opt to obtain the [CORES Certification](#).

Service Coordination must be available to all residents. See Appendix G for Service Coordination minimum requirements. **This threshold requirement is distinct from the Supportive Services scoring criteria.**

J. Investor Aggregators, Right of First Refusal, and Partnership Agreements

1. Sponsors must commit to selecting a syndicator and/or investor acceptable to NH Housing. Such syndicator/investor cannot have been involved in any “aggregator” activity seeking to undermine the exercise of a LIHTC right of first refusal or right of first option, including, without limitation, the following.
 - Refusal to honor a LIHTC right of first refusal or right of first option in favor of a nonprofit sponsor executed with the initial tax credit equity closing for a LIHTC project.
2. The IRC Section §42(i)(7) Nonprofit Right of First Refusal executed pursuant to IRC Section §42 shall be for a term of at least 24 months from the end of the compliance period and have a purchase price equal to the minimum price required under IRC Section §42(i)(7)(B).
3. All partnership agreements shall include the following provision.
 - A provision requiring the limited partner to obtain the consent of the general partner before there is any transfer of the limited partnership interest or investor member interest, with the exception of transfer to an affiliate of either. For the purposes of this section, an “affiliate” shall be any entity under common ownership or control with investor member or limited partner.
4. All partnership agreements, where the Sponsor or Co-Sponsor is a nonprofit entity, shall include the following provisions.
 - An acknowledgement and agreement from the investor that the right of first refusal permitted by the Internal Revenue Code §42(i)(7) is different from the common law right of first refusal and is not conditioned upon the consent of the investor and may be triggered by the receipt by the owner of any third-party offer.
 - An acknowledgement and agreement from the investor that its return on investment is primarily in the form of the tax benefits conferred by the Internal Revenue Code and will not, upon the exercise of the nonprofit’s right of first refusal, include any cash proceeds attributable to the project’s appreciation in value.
 - A provision that in the event IRC Section §42(i)(7) is amended by Congress to permit a nonprofit to hold a purchase option after year 15, the terms of the Right of First Refusal agreement will be converted to a purchase option permitting a transfer through acquisition of partnership interests and including all partnership assets for an amount equal to the statutory minimum purchase price.

K. Smoke Free Requirement

Consistent with NH Housing’s programmatic and policy focus on creating healthy residential settings for all residents and cost-efficient property management operations, all projects must be **smoke free** within the building(s).

L. Public Housing Waiting Lists

Sponsors must commit in writing to the following: prior to occupancy, the Sponsor will provide **written notice to the local Public Housing Authority** with jurisdiction over the project

location (or, where there is no local Public Housing Authority, the Section 8 Administrator for the State of New Hampshire, which is NH Housing) that the project will accept tenant-based vouchers.

M. Projects Intended for Eventual Tenant Ownership

Projects may be structured to transfer to tenant ownership **after the initial 15-year compliance period**, through the right of first refusal provided for in Section 42(i)(7) of the Internal Revenue Code. Projects structured to allow for eventual tenant ownership must submit a Tenant to Homeowner conversion plan with their application, which is subject to review and approval by NH Housing. The conversion plan must include, at a minimum, the items listed below.

- Tenant protections, including protections for tenants who do not wish to purchase their homes.
- Tenant training, counseling, and support services.
- Financial plan addressing the limited partner's exit, disposition of mortgage debt (including subordinate loans), and plan for project reserve accounts.
- Plan to assess and address physical needs for each unit prior to transfer of title to tenant.
- Estimate of year fifteen purchase price. Total monthly housing costs after taking title must be less than or equal to their total monthly housing costs before taking title.

If the Tenant to Homeowner conversion plan submitted with an application is not acceptable to NH Housing, NH Housing will give the Sponsor an opportunity to revise the plan so that it can be approved by NH Housing, or to revise the project so as to remove provisions for eventual tenant ownership.

N. Minimum Scoring Requirements (9% LIHTC only)

Applications that meet all threshold criteria are scored and ranked in accordance with the Scoring Criteria in HFA 109.07.A. Projects are recommended for a reservation of LIHTCs based on the competitive scoring results, the project funding requirements of the QAP, and the amount of LIHTCs available. However, as a threshold requirement to be eligible for a LIHTC reservation, a **general occupancy** project must receive a minimum of **106** points, an **age-restricted** project must receive a minimum of **80** points, and a **preservation/recapitalization** project must receive a minimum of **110** points with at least **eight** of those 110 points awarded pursuant to the **Preservation Scoring Matrix** (Appendix J).

At least one age-restricted project and two general occupancy projects will be funded per 9% LIHTC round as long as threshold criteria are met and funding is available. Projects may be selected over higher scoring applications to meet this requirement. However, in order for an **age-restricted** project to be **selected over higher-scoring applications**, that age-restricted project must achieve a score of at least **100** points.

HFA 109.07 SCORING AND TIEBREAKERS

A. Scoring Criteria

Each project application submitted for 9% LIHTCs that meet all threshold criteria will be scored using the criteria listed below.

Documentation for each scoring criterion must be provided at time of application for points to be awarded. Information included in the cover letter without any additional supporting documentation will not be sufficient. All supporting documentation is subject to verification, and NH Housing may require additional information as a condition of awarding points. NH Housing may reject any documentation deemed to be insufficient, unsupported, or inadequate for the particular scoring criteria. Partial points will not be awarded unless specifically provided for in the description of the points category.

Important note: to calculate the number of units eligible for points under a given requirement, multiply the total number of units in the proposed project by the required percentage and then round up. For example, if the total number of units is 30 and the required percentage is 25%, then: $30 \times 25\% = 7.5$. Round up to the next whole number, so 7.5 becomes 8. For all scoring categories **round up**, unless otherwise noted.

Please contact NH Housing prior to the application deadline if you have questions regarding acceptable documentation for any scoring category.

Description	Points	Recommended/ Supporting Documentation
General Occupancy Units		
1. General Occupancy projects that do not have an age-restricted designation with at least 25% of the total number of units having two or more bedrooms.	10	General Occupancy designation and bedroom sizes must be shown in the NH Housing Financing application.
Income Targeting		
2.a. At least 20% of the total number of units are reserved for very-low income ($\leq 50\%$ AMI).	5	50% AMI LIHTC units must be shown in the NH Housing Financing application.
2.b. At least 10% but fewer than 100% of the total number of units are reserved for extremely low income ($\leq 30\%$ AMI). Units in this category will count towards the calculation of very low-income units in 2a above. <i>A commitment of units to and participation in the 811 PRA program does not count towards this scoring category.</i> Points for committing units to the 811 PRA program are outlined elsewhere in the QAP.	8	30% AMI LIHTC units (separate from 811 units, if applicable) must be shown in the NH Housing Financing application.

2.c. Commit 10% of the total units as non-LIHTC units in the project.	2	Non-LIHTC units must be shown in the NH Housing application.
<p>2.d. Developers who commit to selecting the Average Income Test Set-Aside in compliance with IRS requirements, including, but not limited to the following:</p> <ul style="list-style-type: none"> • At least 40% of the total units must be designated as LIHTC units; and • The average of all LIHTC income bands must be at or below 60%. 	8	Ensure the unit mix in the NH Housing financing application complies with the set-aside requirements and that the Average Income Test Set-Aside option is selected. Additionally, provide written confirmation from the management agent acknowledging the sponsor's commitment to the Average Income Test Set-Aside.
<p>Supportive Housing An application can be scored points in only one section in this category, 3.a. or 3.b.</p>		
<p>3.a. For general occupancy projects only serving homeless or veteran households⁽¹⁾: Each and every household must be homeless or at imminent risk of homelessness immediately prior to tenancy or include a veteran, have unstable housing, and be identified as needing services to maintain housing. Certification of homeless or veteran status and housing instability must be obtained from the household (see Appendix H for a sample). Eligible projects may be either transitional or permanent supportive housing and may use the single room occupancy (SRO) model.</p> <p>Supportive services must be made available to residents through a qualified third-party provider, unless the Sponsor can provide documentation showing that they have the expertise within their organization to perform such services and that they are an <u>existing</u> supportive services provider. Supportive services must include at a minimum:</p> <ul style="list-style-type: none"> • An initial assessment of each resident's housing stabilization needs prior to or within one week of move-in and a written service plan developed to address each need. 	15	Provide detailed letter of interest from a third-party provider that includes at minimum, the following: a narrative description of the supportive services experience and capacity of the provider to provide services to the identified number of units in the project, the population that will receive services, market information supporting the demand for supportive housing for the identified population in the project location, and a description of the services that will be provided and how the minimum supportive

⁽¹⁾ "Veteran" shall be as defined in RSA 21:50.

<ul style="list-style-type: none"> Regular case management, including ongoing assessments of residents' housing stability and the efficacy of the services being coordinated or provided in meeting the needs identified in their service plan. Onsite services targeted to housing stabilization. Participation in services may be encouraged but must be optional for residents. <p>If services cannot be provided onsite, the applicant must submit a letter justifying why services cannot be provided onsite, how services will be made accessible to residents, and how the property will encourage residents to engage in off-site services.</p> <p>For populations that require on-site caretakers, caretaker units will be counted as part of the 100% count.⁽²⁾</p>		<p>services in this QAP will be met.</p>
<p>3.b. For both age-restricted and general occupancy projects:</p> <p>At least 10%, up to 25% of all units are reserved for households that include a household member who:</p> <ul style="list-style-type: none"> Is identified as needing services to maintain housing, and <ul style="list-style-type: none"> Has an intellectual or physical disability, and/or Is a veteran, and/or Is homeless or at imminent risk of homelessness immediately prior to tenancy. <p>The property may identify one or multiple target populations listed above to serve; however, a qualified service provider must be identified and contracted for each population being served. <i>Service requirements are the same as those specified in 3a above.</i> Certification of homeless, veteran, or disabled status and housing instability must be obtained from the household (see Appendix H for a sample).</p> <p>A commitment of units to and participation in the 811 PRA program does not count towards this scoring category. Points for committing units to the 811 PRA Program are outlined elsewhere in the QAP.</p>	<p>10</p>	<p>Provide detailed letter of interest from a third-party provider that includes at minimum, the following: a narrative description of the supportive services experience and capacity of the provider to provide services to the identified number of units in the project, the population that will receive services, market information supporting the demand for supportive housing for the identified population in the project location, and a description of the services that will be provided and how the minimum supportive services in this QAP will be met.</p>

⁽²⁾ Units may not count as LIHTC units in the applicable fraction calculation and/or costs related to these units may not be included in eligible basis. Consult with a tax professional or attorney for more information.

<p>For populations that require on site caretakers, caretaker units will be counted as part of the 10% to 25% count.⁽³⁾</p>		
<p>Service Enriched Housing for Age-Restricted Units</p>		
<p>4. Contracting with a VNA/homecare agency to provide onsite health clinics at no cost to residents (although Medicare and other insurances may be billed for services) for a minimum of ten years from initial occupancy. Health clinics may include, but are not limited to flu shots, blood pressure, cholesterol and diabetes screening, and foot care. Clinics must be provided by a licensed healthcare professional. A minimum of 1/16 hour, per unit, per month, is required to be provided no less frequently than bi-monthly.</p> <p><i>Onsite health clinics cannot be used to meet Threshold Requirements for Service Coordination per HFA 109.06.I and Appendix G.</i></p>	<p>5</p>	<p>Provide detailed letter of interest from a homecare agency that provides details on the health clinics to be provided and the frequency of the clinics that meets the requirements of this QAP.</p>
<p>Community Based Supportive Housing for <u>Existing</u> Rental Housing Properties – 811 Project Rental Assistance Program (General Occupancy only)</p>		
<p>5. Developer/Owners who commit <u>existing</u> units⁽⁴⁾ for individuals with disabilities and agree to enter into a Section 811 Project Rental Assistance contract with NH Housing for the units committed. The project cannot be located within the Federal Emergency Management Agency (FEMA) 100 or 500-year floodplain or impact a wetland. The project cannot convert existing farmland and cannot cause the “taking” of an endangered species (under the definition in the Endangered Species regulations). Requirements differ for new construction and rehabilitation for these condition. Units shall be committed on an as available basis subject to the “next available unit” rule.</p> <p><i>For this category, round down in all cases to calculate the percentage of units.</i></p> <p>5.a. Developers who commit to 10% or 2 units, whichever is greater, of the total units in the existing rental housing property.</p>	<p>2</p>	<p>Submit a fully completed NH Housing Section 811 memorandum of understanding executed by the Developer/Owner, that indicates the name of the existing property and that meets the minimum number of units to be committed to the Section 811 PRA program.</p>

⁽³⁾ Units may not count as LIHTC units in the applicable fraction calculation and/or costs related to these units may not be included in eligible basis. Consult with a tax professional or attorney for more information.

⁽⁴⁾ Units must have funding through any of the following: Federal Low-Income Housing Tax Credits or other state, federal or local funding sources. The project must include five or more units under a single ownership entity and must be for general occupancy.

<ul style="list-style-type: none"> • Rural Development; • Grants; and/or • Other long-term loans, including sponsor loans and NH Housing administered long-term loans. <p><i>Capital subsidy administered by NH Housing, deferred developer fee, resubordinated, restated, or existing debt and LIHTC equity are not eligible for consideration. <u>All</u> units are counted.</i></p>		<p>option to lease. A nominal lease is considered below market value when the lease cost is no more than \$2,500 per year. Submit documentation to substantiate the market value and discount.</p>
<p style="text-align: right;">Greater than \$29,999/unit \$20,000 to \$29,999/unit \$10,000 to \$19,999/unit \$5,000 to \$9,999/unit Less than \$5,000/unit</p>	<p>22 17 12 7 0</p>	<p>In order to score points for donated land, the value will be determined by an appraisal (for land only) acceptable to NH Housing in its sole discretion. Buildings that will remain in the project can be included in the donation value for adaptive reuse and preservation projects only.</p> <p>Partial land donation is permitted. The value of the partial land donation will be calculated as the appraised value of the donated portion, less any acquisition price included in the development budget.</p>
<p>Projects which have a firm written <i>commitment</i> for one or more of the eligible sources of funding noted above will be awarded <u>additional</u> points as follows. All units are counted. Long-term, amortizing loans will not be awarded these additional points.</p> <p style="text-align: right;">Greater than \$29,999/unit \$20,000 to \$29,999/unit \$10,000 to \$19,999/unit \$5,000 to \$9,999/unit Less than \$5,000/unit</p>	<p>14 12 10 8 0</p>	<p>Commitment: Submit the commitment letter or award letter that includes the project name, Sponsor, funding amount, expiration date, and specific loan terms, as applicable, such as the interest rate, loan term, and other fundamental terms.</p>

<p>Smart Growth Components. Projects with the following components will be awarded points as follows for a <u>maximum</u> total of 10 points:</p> <ul style="list-style-type: none"> • Public water supply • Public sewer • Appropriate zoning without variance • Municipally maintained off-site sidewalks accessible from the site and leading within ¼ mile to a Community Center Area (see (i) above), to fixed route public transportation, or to a grocery store (a self-service retail establishment that primarily sells food). 	<p>3 3 2 2</p>	<p>Submit plans that clearly show public water and/or sewer infrastructure.</p> <p>Submit a letter from the Sponsor’s attorney or project’s civil engineer that shows zoning without a variance.</p> <p>Provide a detailed map that clearly shows sidewalks and distance from proposed project site to CCA, public transportation, or grocery store.</p>
<p>10.b. Projects that are in Qualified Census Tracts and contribute to a Concerted Community Revitalization Plan (CCRP).⁽⁵⁾</p>	<p>3</p>	<p>Provide documentation that shows the proposed project is located within a QCT and a copy of a CCRP plan that meets the requirements outlined in this QAP.</p>
<p>10.c. Projects approved for points in part 10.a. that preserve and renovate existing housing.</p>	<p>1</p>	<p>In addition to documentation provided in 10.a, the NH Housing financing application must indicate the proposed project is existing housing.</p>

⁽⁵⁾ A Concerted Community Revitalization Plan is a plan adopted by a municipality or a community-oriented nonprofit with the following characteristics:

- Is geographically specific and provides a clear direction for implementation;
- Includes a strategy for obtaining commitments of public and private investment in non-housing infrastructure, amenities, or services beyond the LIHTC development;
- Demonstrates the need for revitalization;
- Includes planning document elements such as setting goals for outcomes, identifying barriers to implementation, establishing timelines and benchmarks, and identifying community partners.

<p>10.d. Preservation or restoration of a historic building. The building must be on or eligible for the State or National Register of Historic Places or officially designated as a local historic property by town, state and/or federal agencies, with rehabilitation to be completed so as to be eligible for and use federal Historic Rehabilitation Tax (HTC) credits.</p>	<p>5</p>	<p>Submit the official designation determination from local, state, or federal agency or documentation that shows the property is eligible.</p> <p>For HTCs, submit Part I approval from the National Park Service and a letter of interest from the HTC investor.</p>
<p>10.e. Projects approved for points in part a. that are located in an Opportunity Zone (established by the Tax Cuts and Jobs Act of 2017) at the time of application. A list of opportunity zones by state and by census tract can be found at Opportunity Zones - Home opportunityzones.hud.gov; see also Notice 2018-48.</p>	<p>2</p>	<p>Submit print-out from the link provided that shows the proposed project is located in an opportunity zone.</p>
<p>Project Cost</p>		
<p>11. All projects (except as noted below) will be evaluated for cost reasonableness using the TDC Weighted Average (defined in HFA 109.04.C). Projects that qualify for the TDC Weighted Average High-Cost limit in section 109.04.C will still be subject to this category. <i>Preservation/recapitalization projects will not be subject to this category.</i></p> <p>For this category, the TDC Weighted Average will be compared to the overall average of the TDC Weighted Averages (preservation/recapitalization projects will be excluded from this calculation) in the current application round.</p> <p>The criteria referenced in this section for higher development cost standards are:</p> <ul style="list-style-type: none"> • Adaptive Reuse projects • Projects that utilize Historic Rehabilitation Tax Credits; • Located on a site that meets the Environmental Protection Agency definition of a brownfield site; • Required to comply with the Build America, Buy America Act. • Designed to achieve Passive House certification; 		<p>The NH Housing financing application showing the proposed project's TDC Weighted Average will be used to determine if negative points will be applied. If the proposed project meets one or more of the higher development cost standard criteria, refer to section 109.04.C. for requirements.</p>

<ul style="list-style-type: none"> • Inadequate bidder pool, impeding a competitive bid process; • Located in Grafton, Carroll, or Coos County. <p>Supporting documentation must be provided with the final application for the applicable criteria listed above. After reviewing the documentation, NH Housing will determine whether a project is eligible for higher development cost standards.</p> <p>Projects that have a projected TDC Weighted Average of 5% over the average (and do not meet any of the criteria for higher cost standards).</p> <p style="text-align: center;">-or-</p> <p>Projects that have a projected TDC Weighted Average of 10% over the average (and do not meet any of the criteria for higher cost standards).</p> <p style="text-align: center;">-or-</p> <p>Projects that have a projected TDC Weighted Average of 25% over the average (and do not meet any of the criteria for higher cost standards).</p> <p style="text-align: center;">-or-</p> <p>Projects that have a projected TDC Weighted Average of 10% over the average (and meet one of the criteria for higher cost standards).</p> <p style="text-align: center;">-or-</p> <p>Projects that have a projected TDC Weighted Average of 10% over the average (and meet two or more of the criteria for higher cost standards).</p>	<p>-2</p> <p>-4</p> <p>-6</p> <p>-2</p> <p>0</p>	
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Sponsor is a Public Housing Authority or a NH Housing-approved Community Housing Development Organization		
<p>12. Sponsor is a Public Housing Authority (PHA) or NH Housing-approved Community Housing Development Organization (CHDO).</p> <p>CHDO designation is defined in 24 CFR Part 92. In order to qualify for these points, the general partner/managing member of the LIHTC project ownership entity must be the project Sponsor or a wholly owned subsidiary of the project Sponsor.</p>	4	<p>NH Housing financing application must state that the Sponsor/Co-Sponsor is a PHA.</p> <p>Submit NH Housing’s current CHDO certification or recertification letter for the Sponsor entity.</p>
Management Experience		
<p>13. Applications are scored based on a point-scoring structure outlined in the Management Questionnaire. The scoring gives preference to management agents based on experience and performance.</p>	0 to 10	<p>To receive points for this category, submit a letter of interest from the proposed management agent and a completed NH Housing Management Agent Questionnaire.</p>
Developer Experience		
<p>14.a. The developer or associated entity that is part of the development team:</p> <ul style="list-style-type: none"> • Has any outstanding obligations (including fees) on any NH Housing-financed or NH Housing tax credit project that is more than 30 days in arrears; • Is involved in or has had other tax credit or NH Housing-financed projects which have non-compliance issues; • Is or has been non-compliant or otherwise in default with this or any other NH Housing Program (as determined by NH Housing) or with another state housing finance agency; and/or • Has been awarded credits in the past that were subsequently returned or otherwise unused (unless for good cause). <p>Such determination and number of points deducted will be made by NH Housing in its sole discretion.</p>	-1 to -20	<p>The Sponsor is required to disclose all non-compliance with other state agencies.</p>

<p>14.b. In the event that a Sponsor does not fulfill a points commitment made in a previous LIHTC application round, a points penalty for an amount equal to that scoring category will be applied to the Sponsor's next application. Sponsors who can document a good faith effort to satisfy the commitment may not be penalized at the sole discretion of NH Housing staff.</p>	TBD	<p>No documentation is required; a points penalty will be applied if a prior project's scoring commitments were not fulfilled by the Sponsor. Such determination will be made by NH Housing in its sole discretion.</p>
<p>14.c. A Sponsor that has pursued a qualified contract in New Hampshire in the last five years will have a points penalty applied to their application. Upon the receipt of sufficient evidence that the pursuit of the qualified contract is driven by the investor and not the general partner, NH Housing, in its sole discretion, may choose not to apply these penalty points.</p>	-5	<p>No documentation is required.</p>
<p>Property Amenities</p>		
<p>15.a. To support features that enhance residents' quality of life and foster a strong sense of community, points will be awarded to projects that commit to one or more of the following community amenities as part of the initial construction or rehabilitation scope of work. All amenities must be located on site, <u>accessible</u> to all residents, and provided at no cost to residents.</p> <p>Projects that include one or more of these amenities may score up to a <u>maximum</u> of 12 points.</p> <p>All amenities must be maintained for the affordability compliance period (unless otherwise approved by NH Housing staff).</p> <p>Maximum size thresholds and requirements are established only for point qualification purposes. All amenities may exceed these thresholds, with no maximum limit.</p> <p><u>Community room</u></p> <ul style="list-style-type: none"> • Dedicated space, separate from other building areas (e.g. entryways, lobbies and other similar areas) • Minimum community room size: <ul style="list-style-type: none"> ○ 12 sq. ft. times the number of bedrooms ○ Minimum size of 250 sq. ft. ○ Maximum size of 600 sq. ft. 	5	<p>Submit certification indicating commitment to one or more of the amenities listed.</p>

<p><u>Patio Area</u></p> <ul style="list-style-type: none"> • The patio must provide usable outdoor space equal to: <ul style="list-style-type: none"> ○ At least 12 sq. ft. per unit ○ Minimum total area: 150 sq. ft. ○ Maximum total area: 500 sq. ft. • At least 50% of the picnic area must be shaded 	5	
<p><u>Community Garden</u></p> <ul style="list-style-type: none"> • One raised garden bed for every five units • Each raised garden bed must measure at least: <ul style="list-style-type: none"> ○ 5' in length, 2' in width, 12" deep ○ The top of each garden bed must be at least 24" above ground level to ensure accessibility • Permanent water source(s) must be provided and be capable of reaching all garden beds 	5	
<p><u>Storage – Outside of Units</u></p> <ul style="list-style-type: none"> • Indoor, secure storage must be provided for each unit • Storage may be individual lockers or designated secure storage areas • Minimum storage size: <ul style="list-style-type: none"> ○ Studio and one-bedroom units: 10 sq. ft. ○ Two-bedroom units: 15 sq. ft. ○ Three-bedroom and larger: 20 sq. ft. 	4	
<p><u>Picnic Area</u></p> <ul style="list-style-type: none"> • The picnic area must provide usable outdoor space equal to: <ul style="list-style-type: none"> ○ At least 12 sq. ft. per unit ○ Minimum total area: 150 sq. ft. ○ Maximum total area: 500 sq. ft. • At least 50% of the picnic area must be shaded • One permanently installed grill shall be provided for every ten units <ul style="list-style-type: none"> ○ Grills installed must comply with all applicable building and fire codes and meet property insurance requirements 	4	
<p><u>Service Coordination Office</u></p> <ul style="list-style-type: none"> • The office must be a private, fully enclosed room with a dedicated door 	3	

Renewable Energy		
<p>17. Commitment to include solar electric array(s) or geothermal heating and cooling in the project.</p> <ul style="list-style-type: none"> • In order to receive points for solar, plans must be submitted that show evidence that roof space (or equivalent, such as with a ground mounted system) is maximized for solar, as determined by NH Housing. • In order to receive points for geothermal, documentation must be submitted that shows a net payback period (the time it takes for the energy savings to offset the initial cost/ investment) of seven years or less. 	2	<p>Submit a certification or letter from the project architect detailing the commitment to renewable energy components and design details, along with requirements noted in the scoring details.</p>
Design and Construction		
<p>18.a. New construction projects that design and construct a minimum of 15% of the total units as fully accessible units in accordance with ICC/ANSI A117.1, Type A, Fully Accessible guidelines. The number of related parking spaces must meet the federal accessibility parking requirements.</p>	2	<p>Complete the section in the NH Housing financing application that pertains to accessible design and construction.</p>
<p>18.b. Rehabilitation/preservation projects that design a minimum of 10% of the total units as fully accessible units in accordance with ICC/ANSI A117.1, Type A, Fully Accessible guidelines. The number of related parking spaces must meet the federal accessibility parking requirements.</p>	1	<p>Complete the section in the NH Housing financing application that pertains to accessible design and construction.</p>
<p>18.c. Universal design – choose at least three design features from the list below to be awarded points:</p> <ul style="list-style-type: none"> • No-step entry ways in all common areas and residential units • Easy-grasp door handles in all common areas and residential units • Knee space beneath all sinks in all common areas and residential units • Flat panel light switches in all common areas and residential units • Non-slip flooring in all common areas and residential units • Hand-held showerheads in all residential units 	2	<p>Submit certification or letter from the project architect detailing the features to be included in the project.</p>

Affordability Period		
19. Developers that commit to a Land Use Restriction Agreement LIHTC affordability period (extended use period) of 75 years.	3	Complete the affordability selection in the LIHTC section of the NH Housing application to commit to an affordability period of 75 years.

B. Tiebreakers

In the case of a scoring tie, the tiebreakers shall be as follows.

- The project providing the greatest number of net new housing units is favored.
- If still tied, the lowest amount of LIHTCs per rent-restricted unit (most efficient use of LIHTCs) is favored.

HFA 109.08 ALLOCATION PROCESS

A. Reservation of LIHTCs

All applications are reviewed for completeness. Incomplete applications will be rejected, though minor variances may be deemed acceptable. NH Housing may reject any documentation deemed to be insufficient, unsupported, or inadequate for the particular scoring criteria. NH Housing is not required to notify the applicant of inconsistencies or missing information.

In administering the LIHTC program, NH Housing is entitled to full discretion allowed by the law, and IRC §42, in making interpretations and decisions that arise in the allocation of LIHTCs and other capital subsidy.

When only partial LIHTCs and/or NH Housing capital subsidy are available for the next highest scoring project, NH Housing retains the right to bypass that project and give a reservation of LIHTCs to other projects lower in the scoring ranking which can effectively use the remaining amount. If a partial allocation is offered, NH Housing must be convinced that a project can be appropriately phased, restructured, or additional funding to fill the gap has been identified, that the project’s feasibility is not conditioned upon receipt of a future reservation, and that the project can retain its scoring criteria ranking. The applicant must demonstrate the ability to meet these criteria within 21 days of notification.

For 9% LIHTCs, if credits remain available after all projects that met threshold have been offered a reservation of LIHTCs, NH Housing reserves the right to reserve credits for a project that did not meet threshold at the time of application, but that does meet threshold requirements, and all other requirements in the QAP, at the time of subsequent review by NH Housing.

Additionally, unused credits that are returned to NH Housing may be made available to other projects as follows.

- Unused credits that are returned to NH Housing 60 days or more before the next preliminary application due date may be offered to one or more projects that applied in the funding round immediately prior to the return of credits and met threshold. Decisions on the allocation of unused credits to projects that submitted applications in the previous funding round will be at the sole discretion of NH Housing.
- Unused credits that are returned within 60 days of the next preliminary application due date will be rolled over and made available in the upcoming application round.

B. Appeal Process

NH Housing will send denial letters to the Developer/Sponsor via email within two business days of NH Housing’s Board of Directors action. Applicants may appeal NH Housing’s decision solely with regard to their application. Applicants must submit a formal written request for an appeal within five business days from the date of receipt of written notification that LIHTCs will not be awarded. The appeal request is considered by NH Housing’s Multifamily Housing Committee, which makes a recommendation to the Board of Directors.

C. Conversion from a 9% LIHTC Project to a 4% LIHTC Project

In the interest of making the most efficient use of New Hampshire’s housing related resources, NH Housing reserves the right to remove a project from the 9% LIHTC application round, regardless of potential score, and convert the project to a 4% LIHTC and Tax-Exempt Bond financed project. This would be premised on project feasibility under a Tax-Exempt Bond financed scenario (construction and/or permanent) as determined by NH Housing. However, once removed from the application round, NH Housing cannot guarantee successful bond financing for the project.

D. Post Reservation Processing

Progress Phase Requirements (9% LIHTC only)

- Within 120 days of notification of a reservation of LIHTCs, the Developer/Sponsor must complete and submit all requirements listed in Appendix A Progress Phase Requirements. Upon written request, extensions to the deadline may be granted at the sole discretion of NH Housing.

Carryover Allocation Requirements (9% LIHTC only)

- Projects that will not be placed in service by December 31 of the year of the LIHTCs must complete and submit the items listed in Appendix B Carryover Allocation Requirements by October 1 of that same year. Carryover Allocation Agreements will be prepared and must be fully executed prior to December 31 of that year to maintain the LIHTC reservation.
- A cost certification must be submitted within 12 months of the date of the carryover allocation agreement to document that the project has met the “10% test” (at least 10% of the reasonably expected basis must be incurred). The cost certification must be completed by a professional Certified Public Accountant (CPA) in accordance with generally accepted auditing standards and IRC §42.

Final Allocation Requirements (IRS form 8609) (4% and 9% LIHTC projects)

- Upon project completion, the Developer/Sponsor must complete and submit all items listed in Appendix C Final Allocation Requirements for NH Housing to issue IRS Form 8609. Cost certifications are required for a final allocation and must follow the cost certification template, which can be found on NH Housing's website. The cost certification must incorporate a professional CPA audit in accordance with generally accepted auditing standards and IRC §42. The development budget line items in the certification must correspond with NH Housing's application. The certification must include all sources and uses of funds.
- **In cases where there is an identity of interest between the developer and either the general contractor or construction manager, the submission of either a general contractor or construction manager cost certification will be required.**

E. LIHTC Exchange

NH Housing will permit swaps/exchanges of LIHTCs to be granted at the discretion of NH Housing when all of the following apply:

- The appropriate amount of LIHTCs are available;
- The Developer/Sponsor provides evidence of an inability to meet the placed-in-service, "10% test", or other funding deadline(s);
- The situation results from litigation, municipal approval delays, or other unforeseeable circumstances beyond the Developer/Sponsor's control; and
- The project continues to be financially feasible and meets threshold criteria and other eligibility requirements in effect at the time the LIHTCs were originally awarded.

NH Housing has the authority to re-issue a reservation letter for LIHTCs in the same (or lesser) amount without further action by the NH Housing Board of Directors.

F. Project Representations

Representations made about the project relating to ownership, management, and factors that are used in the selection and scoring criteria, including sources and uses, may not be changed without the express written permission of NH Housing. LIHTC reservations may be rescinded if the project changes in a way that reduces the competitive score.

At each stage in the development process, all project sources and uses must be disclosed to NH Housing. Failure to disclose sources or uses that are known to the developer, or have been applied for, may result in a LIHTC reservation being rescinded or a project being deemed ineligible.

HFA 109.09 FEES TO NEW HAMPSHIRE HOUSING

A. Program Fees (9% LIHTC and 4% LIHTC)

Please refer to the NH Housing Fee Schedule published by February 28 of each year. The Fee Schedule will be posted on NH Housing's [website](#).

HFA 109.10 LONG-TERM AFFORDABILITY AND COMPLIANCE

A. Recorded Affordability Commitment

At the time of the construction loan closing, the owner of the LIHTC project must execute and record a Land Use Restriction Agreement (LURA). The LURA sets forth the conditions wherein the owner and the project must comply with IRC §42. The owner is required to waive their right to submit a qualified contract as a condition of receiving a LIHTC allocation. The written waiver is included in Section 9 of the LURA. The Owner must show that the LURA has been recorded and has priority over any permanent financing or other liens.

LIHTC Land Use Restriction Agreement (LURA) Terms – Affordability Periods

The LURA shall remain in effect for the terms outlined below:

Project Type	Minimum Affordability Period
9% LIHTC	60 Years
4% LIHTC with tax-exempt bonds and NH Housing capital subsidy	45 Years
4% LIHTC with tax-exempt bonds (no NH Housing capital subsidy)	30 Years

The LURA shall remain in effect for 75 years for 9% LIHTC projects that commit to and receive points for the longer term.

B. Compliance Monitoring

In accordance with Treasury Regulation 26 CFR §1.42-5, NH Housing is required to monitor project compliance with IRC §42 and the LURA, and to notify the IRS when it becomes aware of any noncompliance. NH Housing's monitoring responsibilities begin at the time the first building is placed in service. Additional information regarding compliance monitoring can be found in Appendix I.

HFA 109.11 MISCELLANEOUS NEW HAMPSHIRE HOUSING PROVISIONS

A. Waiver Authority

NH Housing reserves the right to waive any of these rules (HFA 109) within the constraints of IRC §42. Any applicant or prospective applicant may submit a written request to waive any part of these rules (HFA 109) in accordance with the procedures set forth in **HFA 117 Waiver Rules** to be considered. In addition, the NH Housing Board of Directors may initiate a waiver of HFA 109 pursuant to HFA 117.

B. Authority to Approve Amended Regulatory Documents

The Multifamily Housing Committee is authorized to approve amended project regulatory documents relative to the scope and delivery of services, age restrictions, and income targeting, including matters that may have been part of the original scoring evaluation of the project, in circumstances in which NH Housing determines that market conditions and/or changes in public funding policies warrant such changes. The Multifamily Housing Committee will report quarterly to the Board on all such amendments.

C. Compliance with Federal, State and New Hampshire Housing Regulations

All projects receiving LIHTC allocations (4% and 9% LIHTC) and/or NH Housing capital subsidy must comply with all relevant NH Housing, state, and federal regulations, including but not limited to the following:

- IRC §42;
- National Standards for HUD Housing 24 CFR § 5.703;
- Federal Fair Housing Act 42 USC §3601 et seq.;
- NH Housing Design and Construction Policy Rules (HFA 111);
- NH Housing Technical Design and Construction Standards; and
- NH Housing Underwriting and Development Policies for Multifamily Finance.

The owner shall not discriminate against voucher holders or refuse to lease a rental unit to a family solely because of the family's participation in a Section 8 tenant-based program.

D. Warranty and Liability

As the federal LIHTC allocating agency for the state of New Hampshire, NH Housing is charged with allocating no more LIHTCs to a project than are required to make the project financially feasible. This decision is made solely at the discretion of NH Housing but does not represent or warrant to any applicant, developer, partner, investor, lender, or others that the project is feasible or risk free.

NH Housing's review of application documents in connection with this QAP is for its own purposes. NH Housing makes no representations to the applicant or anyone else as to compliance with IRC §42, Treasury Regulations, or any other laws or regulations governing the LIHTC Program or capital subsidy programs.

To the extent any information in the QAP is inconsistent with IRC §42, the provisions of IRC §42 shall govern.

No Board member, officer, or employee of NH Housing shall be personally liable concerning any matters arising out of or in relation to the allocation of LIHTCs or capital subsidy or in relation to compliance monitoring.

NH Housing's obligation to monitor for compliance does not make NH Housing liable for an owner's noncompliance.

E. Amendments to the QAP

NH Housing reserves the right to modify the QAP periodically, with approval by the Board of Directors and the Governor, unless otherwise noted. NH Housing may make technical clarifications or revisions to comply with changes in federal law at its sole discretion. Minor administrative corrections or revisions (including formatting, spelling errors, and other similar changes) may be made without approval of the Board of Directors and Governor.

F. Board Role

Unless otherwise specified, NH Housing's Board of Directors delegates LIHTC program administration to the Executive Director. The reservation or rejection of LIHTCs shall be recommended by the Multifamily Housing Committee and decided upon by the Board of Directors. Additional Multifamily Housing Committee responsibilities are outlined in section HFA 109.08.B (Appeals). Supplemental LIHTCs (HFA 109.03.C) and LIHTC exchanges (HFA 109.08.E) are determined by NH Housing staff in its sole discretion.

G. Consistency with IRC §42

To the extent any information in the QAP is inconsistent with IRC §42, the provisions of IRC §42 shall govern. This QAP is not intended to present all the rules and regulations of the LIHTC program. It is strongly recommended that applicants consult with legal and tax counsel that are experienced with the federal LIHTC program.

H. New Hampshire Right-to-Know Law

NH Housing is subject to RSA Chapter 91-A, which is known as the "Right-to-Know Law." Under the Right-to-Know Law, certain records are considered "governmental records" that are open to public inspection. Documents and data created under this Program by NH Housing or by the Applicant may be subject to public inspection. Other documents and data, such as confidential financial information, may be considered nonpublic records and thus may not be subject to public inspection. NH Housing and the Applicant shall comply with the Right-to-Know Law. The Applicant shall provide NH Housing with all Right-to-Know requests, and NH Housing will determine how to comply with the Right-to-Know Law. Nevertheless, a court may disagree with NH Housing's decision, in which case the court's decision would prevail. NH Housing shall not be liable to the Applicant or to any party for NH Housing's decisions or a court's decisions related to the Right-to-Know Law.

HFA 109.12 PROJECTS FINANCED BY TAX-EXEMPT BONDS

NH Housing may issue a Notice of Funding Opportunity (NOFO). Please refer to section 109.04.G Primary Program Policies of this QAP for more information.

APPENDIX A
PROGRESS PHASE REQUIREMENTS
9% LIHTC

The sponsor shall submit the documents listed below to NH Housing within **120 days of notification of a reservation** of LIHTCs or 30 days prior to the deadline for carryover allocation, whichever is sooner.

Projects must meet the requirements of the progress phase to be eligible for an allocation of tax credits. Upon written request, and with good cause, progress phase requirement extensions may be granted at the sole discretion of NH Housing. The request must be submitted to NH Housing prior to the deadline. *The tax credit reservation may be rescinded at the sole discretion of NH Housing for not meeting the progress phase requirements.*

Exhibit A.1. Cover letter requesting an allocation of tax credits, along with an *updated* NH Housing financing application

Exhibit A.2. Environmental site assessment and related reports (lead, asbestos, historic, archeological, if required by NH Housing)

Exhibit A.3. Appraisal, commissioned by NH Housing (when NH Housing is the long-term loan lender); otherwise, NH Housing shall be listed as an intended user on an appraisal report commissioned by the long-term loan lender.

Exhibit A.4. All long-term financing (first mortgage, subordinate loans, grants, and any other long-term loans) letter of commitment(s) with terms and conditions specified

Exhibit A.5. Construction financing letter of commitment with terms and conditions specified

Exhibit A.6. Equity investment letter of commitment with terms and conditions specified and estimated timeline for investor underwriting and limited partnership closing

Exhibit A.7. Evidence of continued site control, unless the property was owned at the time of application and a copy of the deed was submitted

Exhibit A.8. Soils and/or structural engineering report (if applicable)

Exhibit A.9. Copy of architect contract

Exhibit A.10. An executed tenant services agreement, binding on both parties, covering:

- Service Coordination (see Appendix G for details), and
- Supportive Services, if points were awarded (refer to scoring category 3a or 3b, whichever is applicable, for details).

Exhibit A.11. Construction

- Status and estimated timeline for the completion of design development and construction documents
- Cost estimates (or bids if available) by schedule of value. Must comply with 14% limit for general contractor's or construction manager's overhead, profit, and general conditions
- Status and estimated timeline for procurement of Construction Manager/General Contractor in compliance with NH Housing Design and Construction Policy Rules (HFA 111).

Exhibit A.12. Copy of contract for all consultant services, including a relocation consultant (if applicable)

Exhibit A.13. Submit dated evidence (dated within one year of the LIHTC reservation notification) from the utility companies (or another source acceptable to NH Housing) serving the site, confirming that utilities are available and that there is sufficient capacity to serve the property.

- The documentation must cover all applicable utilities, including, but not limited to, gas (if applicable), electricity, water, and sewer.

APPENDIX B
CARRYOVER ALLOCATION REQUIREMENTS
9% LIHTC

Execution of a Carryover Allocation Agreement is required to maintain a LIHTC reservation, as required by IRC §42. Failure of the Developer/Sponsor to execute an agreement will result in the loss of LIHTCs.

The documents below must be submitted by October 1 of the year of the credits. Upon written request and with good cause, in limited circumstances, extensions of specific requirements below may be extended and included as a condition in the Carryover Allocation Agreement at the sole discretion of NH Housing.

B.1. Updated NH Housing financing application

B.2. Evidence of limited partnership existence, including the following:

- Signed W9 with tax identification number of the borrower entity
- Certificate of Good Standing for Limited Partnership from New Hampshire Secretary of State or copy of the Certificate of Limited Partnership stamped by Secretary of State

B.3. Copy of partnership agreement or offering summary (draft acceptable)

B.4. Evidence of continued site control, unless the property was owned at the time of application and a copy of the deed was submitted

B.5. Copy of executed general contractor (GC) or construction management (CM) construction contract.

- Projects with a construction management contract must submit an executed Guaranteed Maximum Price (GMP) amendment, along with the contract. Include a copy of schedule of values showing general contractor or construction manager general conditions, overhead and profit breakdown
- All construction contracts (GC or CM with GMP) must be submitted to the NH Housing Construction Services Manager for review and approval prior to execution.

The “10% test” carryover cost certification must be completed and submitted to NH Housing within twelve months of the date of allocation (which is the date that NH Housing signs the Carryover Allocation Agreement).

APPENDIX C
FINAL ALLOCATION REQUIREMENTS
Issuance of IRS Form 8609
4% and 9% LIHTC

In order for IRS form 8609 to be issued, the sponsor must submit *all* required documentation to NH Housing for review and approval.

Upon receipt of a complete package and confirmation by NH Housing that there are no outstanding questions or issues, the 8609(s) will be issued within 30 days.

NH Housing will complete and sign Part I of form 8609. Part II must be completed and signed with a copy submitted to NH Housing.

C.1. Updated application: all sections must be complete and up to date. The sources and uses and LIHTC tab must match the final cost certification.

C.2. Final cost certification for the project; following required format posted on NH Housing's [website](#). The cost certification must be on CPA letterhead and signed.

For projects financed with tax-exempt bonds, the final cost certification must provide certification of meeting the tax-exempt bond financed-by test (*formerly* referred to as the "50% test") in compliance with NH Housing's policy. The final cost certification must also certify that the project meets the bond "95-5 test" requirement.

NH Housing will review a draft and provide comments, upon request. An updated NH Housing financing application (see above) must accompany the draft cost certification in order for the review to be completed.

In addition, in cases where there is an identity of interest between the developer and either the general contractor or construction manager, the submission of either a general contractor or construction manager cost certification is required.

C.3. Developer's Certification of Development Costs (see Appendix D for required format)

C.4. Developer's Certification of Equity Proceeds (see Appendix E for required format)

C.5. As-Built Architect's Certification (see Appendix F for required format)

C.6. Recorded Land Use Restriction Agreement (LURA) and evidence of its existence in the land records

C.7. Executed Amended and Restated Agreement of Limited Partnership (LPA) with all exhibits

C.8. Payment of the final allocation fee

C.9. Payment of the tax credit monitoring fee

C.10. Copy of Certificate(s) of Occupancy (temporary, if applicable, and final) and placed in service date for each building

C.11. Copy of recorded deed, including legal description of property, or comparable recorded site control

C.12. Signed W9 with tax identification number of the borrower entity

C.13. Construction close-out approval by NH Housing

See separate list of construction close-out requirements sent by NH Housing staff. If you have not received it, please contact the Construction Services Manager at NH Housing to request the list.

C.14. Ten percent (10%) cost certification completed within one year of carryover allocation agreement (if not already submitted) for 9% LIHTC projects only.

**APPENDIX D
DEVELOPER'S CERTIFICATION OF DEVELOPMENT COSTS**

I _____ (Developer), developer of
_____ (the Project) located at
_____ in _____,
New Hampshire, hereby certify that the accompanying Sources and Uses of Funds with the
Total Development Cost totaling \$ _____, dated _____, Accountant's
Certification of Costs (including developer fee), Qualified Basis and Applicable Fraction are a
true and accurate representation of the Project funding and total costs. I certify that all current
financing terms have been disclosed, and I will further inform NH Housing of any future
changes to project financing.

I certify that any additional sources/funding amounts received by me or any related party for
syndication fees, debt placement fees, guaranty fees, or other fees have been disclosed and
that the purchase price of the site and its allocated cost to the partnership have been
disclosed. I further state that the Qualified Basis and Applicable Percentage were calculated in
a manner consistent with the regulations set forth in IRC §42. I recognize that any changes or
misrepresentations from this certification may warrant notification to the IRS of a LIHTC
Program violation via IRS Form 8823.

Date: _____

Duly Authorized: _____

**APPENDIX E
DEVELOPER'S CERTIFICATION OF EQUITY PROCEEDS**

I _____ (Developer), developer of
_____ (the Project) located at
_____ in _____,
New Hampshire, hereby certify that the gross equity investment in the Project gained from the
sale of _____% interest in the Limited Partnership entitled _____
Limited Partnership Agreement dated _____ totaled \$_____. This
gross equity investment is based on a final allocation of Low-Income Housing Tax Credits of
\$_____ annually for a period of ten years.

Date: _____

Duly Authorized: _____

**APPENDIX F
AS-BUILT ARCHITECT'S CERTIFICATION**

I have inspected the development known as _____
(Project name) located in _____(city, state) and hereby certify that the
development has been built in accordance with the construction documents dated
_____ prepared by _____.

Based upon previous inspections and the final inspection, to the best of my knowledge,
information, and belief, the development has been constructed in conformance with all
applicable local, state and federal laws designated as the development standard for the
project, including, but not limited to, applicable portions of the Americans with Disabilities Act
(ADA); Fair Housing laws as they pertain to accessibility and adaptability; all state and local
health, safety and building codes; and those requirements as set forth in NH Housing's Design
and Construction Policy Rules (HFA 111), Technical Design and Construction Standards, and,
when applicable, the Technical Design and Construction Standards for Rehabilitation.

Date

Architect

(Seal)

APPENDIX G SERVICE COORDINATION

Specifications

Residents' participation in any of the activities described below (assessments, services, follow-up, survey) is entirely optional for the residents. *Under no circumstances will the owner, management company, or service coordinator make participation a formal or implied condition of enjoying a right of tenancy.*

Owners must provide at least **one hour of Service Coordination per month** for every five units. Service Coordination should be conducted onsite whenever possible, though remote delivery is permitted. At minimum, an onsite visit must occur every other month.

Service Coordination must be provided by a person who does not also collect rent, inspect units, make determinations on requests for reasonable accommodation, investigate lease violations, or issue eviction notice.

Projects must have adequate space to meet with residents that provides for confidential conversations and maintenance of secure records. Meeting with residents in their homes is acceptable.

Projects must provide access to a telephone and the internet when meeting with residents for the purpose of coordinating services. Use of a smart phone or tablet is acceptable.

The service coordinator must provide information on the purpose and availability of service coordination and offer to assess every resident's service needs within **60 days** of move-in. The service coordinator must send quarterly reminders to residents on the purpose and availability of service coordination and available services. The service coordinator must offer to assess every resident's service needs annually but must indicate that the needs assessment is optional.

The service coordinator shall provide referral information to residents based on their needs as identified in the service needs assessment and when requested by the resident. The service coordinator shall assist the resident in contacting the service provider if requested. When service needs are identified, the service coordinator must offer to provide follow-up as needed to address residents' needs as identified in their service plans.

The service coordinator shall develop and implement strategies to build community among diverse residents.

In addition to the ongoing Service Coordination requirements stated above, the service coordinator must coordinate a minimum of two services/programs to be offered onsite, online, or in close proximity to the project (within a ½-mile suitable and accessible walking distance or with free transportation provided). Services should be relevant to a majority of residents and

must be available to all residents regardless of their income and other qualifying factors. Services may be provided on an ongoing basis or at scheduled times throughout the year. Services must be provided at least annually. Appropriate services will do one or more of the following:

- a. Increase resident knowledge of and access to available services;
- b. Help residents maintain stability and prevent eviction;
- c. Build life skills;
- d. Increase household income and/or assets;
- e. Increase health and wellbeing;
- f. Improve the educational success of children and youth; and/or
- g. Connect residents to community engagement activities that help residents build an informal support network.

Services may be provided to residents at no cost or at a nominal or discounted fee; however, any fee must be based on residency in the project, not on income or other financial eligibility. If the same service or benefit is available on the same terms to the residents of privately financed housing, it does not meet the threshold criteria.

Below are examples of services that meet this threshold requirement; however, any service that meets residents' needs may also be acceptable. The resident services coordinator may not lead these activities, unless otherwise noted.

- a. Coordinate efforts for community engagement, such as connecting residents to civic groups and events (community events, community gardens, etc.) – the service coordinator may lead this activity
- b. Wellness education that covers a variety of topics including nutrition, exercise, mental health, stress management, etc.
- c. General, non-specialized health clinic (flu shots, blood pressure clinics, cholesterol and diabetes screening, etc.).
- d. Literacy/language training.
- e. Personal safety workshops that cover a variety of topics including identity theft, scam/fraud awareness, self-defense, drug awareness, etc.
- f. Financial fitness workshops or coaching that cover a variety of topics including budgeting, money management, credit counseling, banking products, etc.
- g. Income and asset building workshops or coaching covering a variety of topics including employment coaching, Individual Development Accounts, homebuyer education, etc.
- h. Ongoing services including one or more of the following services.
 - i) Transportation
 - ii) Meals
 - iii) Childcare
 - iv) After school program

Alternatively, a Sponsor with [CORES Certification](#) or who contracts with a CORES third-party entity will meet this threshold requirement for the duration of the CORES Certification.

The project Owner, or its agent, must conduct an annual survey of all residents regarding their need for and satisfaction with the service coordination and coordinated services. The survey must indicate that resident completion of the survey is completely optional. Service coordination plans should be reviewed and updated as needed based on the results of the annual Service Coordination survey and the needs of the residents.

Service Coordination must be provided to the residents according to the approved service coordination plan for the term of the LIHTC LURA.

Submission Requirements

At the time of final application, applicants must submit the completed Service Coordination Plan (see template below).

Reporting Requirements

1. Project Owners will be required to submit an annual certification of:
 - a. The number of hours of Service Coordination and coordinated services provided;
 - b. A description of the coordinated services/programming provided;
 - c. The number of residents served by each; and,
 - d. The results of the annual resident satisfaction survey.
2. Additionally, project owners will be responsible for ensuring that property managers maintain:
 - a. Agreements for services on file (if any); and,
 - b. Evidence that the services are being provided (e.g. sign-in sheets, letters/memos to tenants advertising the event/service, service logbook and/or activity reports).

SERVICE COORDINATION PLAN (Submit with final application)

Project name: _____ Number of units: _____
Property Management Agent _____

Agency providing service coordination (if different from management agent)

Contact person for service coordination plan:

Email: _____ Phone: _____

of hours/month of service coordination: _____

By signing this plan, all parties agree that service coordination will be provided to the residents in accordance with this plan and the requirements outlined in the Qualified Allocation Plan.

Service Coordination Agent:

Name _____

Signature _____

Management Agent (if service coordination is not provided by the management agent):

Name _____

Signature _____

Revenue Sources	\$ Amount					
	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Property operating budget						
Management company budget						
Owner contribution						
Grant:						
Other:						
Other:						
Total						
Expense	Annual \$					
	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel (salary/fringe)						
Training						
Office Supplies						
Transportation						
Total						

Project Sponsor:

Name _____

Signature _____

APPENDIX H

The certification below must be tailored to align with the commitments outlined in scoring categories 3.a. and 3.b., along with the approved tenant selection plan and supportive services plan.

Scoring category 3.a. applies when every household is identified as needing services to maintain housing and is experiencing homelessness, at risk of homelessness, or includes a veteran.

Scoring category 3.b. applies when 10% to 25% of the households are identified as needing services to maintain housing and is experiencing homelessness, at risk of homelessness, includes a veteran, or includes someone who is disabled.

HOMELESS, AT RISK OF BECOMING HOMELESS, VETERAN, OR DISABLED STATUS CERTIFICATION

Head of Household Name

Please check the appropriate box below.

Homeless Family: (does not include an individual imprisoned/detained pursuant to an Act of Congress or State law.) **Check the one that applies:**

I am currently homeless, meaning that:

- I/We live in a shelter and lack a fixed, regular and adequate nighttime residence and also have a primary nighttime residence that is supervised publicly/private operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters and transitional housing), or
- I/We live in a hospital or institution that provides a temporary residence for individuals intended to be institutionalized, or
- I/We live in a public/private place not designed for or ordinarily used for sleeping by human beings.

Please provide the following if you have checked one of the above choices:

Name of Shelter or institution	Contact Person	Phone Number
--------------------------------	----------------	--------------

At Risk of Becoming Homeless: Check the one that applies:

I am at risk of becoming homeless because:

- I pay more than half of my gross income towards rent or
- I/we live with friends or relatives due to an emergency or homeless situation. This is a temporary living arrangement. My name is not on the lease. If I were not in this current living arrangement, I would otherwise be homeless, or
- I am temporarily living in a substandard living situation, i.e. a campground or other temporary placement.
- I am fleeing from a domestic violence situation; or
- I am living with aging parent(s), other relative(s), or caretaker(s) that provide me with shelter, and if I were not living with them, I would be homeless.

Veteran: Check all that apply

- A household member meets the definition of “Veteran” in RSA 21:50. Provide a copy of one of the forms of documentation listed in RSA 21:50.
- I/We would benefit from services that help with maintaining our housing.

Disabled: Check all that apply

- A household member has an intellectual and/or physical disability.
- I/We would benefit from services that help with maintaining our housing.

Tenant Certification and Release of the Information.

The head of household and spouse or other adult must sign and date this certification. Your signature means that you agree with the above certification and allow release of verification from the individuals named. I/We certify that the above information I/We have provided is true and complete to the best of my/our knowledge and belief.

Head of Household	Date	Spouse/Other Adult	Date
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APPENDIX I

LIHTC Compliance Monitoring Requirements

Section 42 of the Internal Revenue Code requires LIHTC allocating agencies to monitor for noncompliance with the provisions of that section and notify the Internal Revenue Service of such noncompliance which such agency becomes aware of and monitor for noncompliance with habitability standards through regular site visits.

A. Recordkeeping and Record Retention

Under the recordkeeping provision of Treasury Regulation §1.42-5(b), the owner must keep records for each building of the project for each year of the compliance period. Such records include the following.

- The total number of residential rental units in the building.
- The percentage of residential rental units in the building that are low-income units.
- The rent charged on each residential rental unit in the building (including any utility allowances).
- The number of occupants in each low-income unit.
- The low-income unit vacancies in the building and information that shows when, and to whom, the next available units were rented.
- The annual income certification of each low-income tenant per unit.
- Documentation to support each low-income tenant's income certification.
- The eligible basis and qualified basis of the building at the end of the first year of the credit period.
- The character and use of the nonresidential portion of the building included in the building's eligible basis under section 42(d).

Under the record retention provision, §1.42-5(b)(2), owners are required to keep all records for each building for a minimum of 6 years after the due date (with extensions) for filing the federal income tax return for that year. The records for the first year of the credit period must be retained for at least 6 years beyond the due date (with extensions) for filing the federal income tax return for the last year of the compliance period of the building, bringing the total retention for the first year records to 21 years.

Under the inspection record retention provision, §1.42-5(b)(3), the owner of a low-income housing project must be required to retain the original health, safety, or building code violation reports or notices that were issued by the State or local government unit for NH Housing's inspection.

B. Certification and Review Provisions

Certification

The owner of the LIHTC project must certify at least annually to NH Housing that for the preceding 12-month period the project met the requirements outlined in Treasury Regulation §1.42-5(c)(1). In addition, NH Housing requires owners to submit annually the Management

Agent Certification of Training and the Annual Certification of Service Coordination and complete an upload of all tenant data to NH Housing’s LIHTC system. The required reports, certifications, and forms can be found on NH Housing’s website. The tenant data upload and all annual certifications are due March 1 of each year and must be submitted throughout the Extended Use Period of the project.

Review

In accordance with Treasury Regulation §1.42-5(c)(2), NH Housing must conduct on-site inspections and review low-income certifications of all buildings in the project by the end of the second calendar year following the year the last building in the project is placed in service and at least once every three (3) years thereafter.

The minimum number of low-income units that must be included in the random samples on which the NH Housing conducts physical inspections or low-income certification review is the lesser of 20 percent of the low-income units in the project, rounded up to the next whole number, or the number specified in the following table.

Number of low-income units in the low-income housing project	Number of low-income units selected for inspection or for low-income certification review (minimum unit sample size)
1	1
2	2
3	3
4	4
5-6	5
7	6
8-9	7
10-11	8
12-13	9
14-16	10
17-18	11
19-21	12
22-25	13
26-29	14
30-34	15
35-40	16
41-47	17
48-56	18
57-67	19
68-81	20
82-101	21
102-130	22
131-175	23
176-257	24

258-449	25
450-1,461	26
1,462-9,999	27

NH Housing will randomly select which low-income units and certifications are to be inspected and reviewed. The review of tenant records may be undertaken wherever the owner maintains or stores the records (either on-site or offsite). The units and tenant records to be inspected and reviewed must be chosen in a manner that will not give owners of low-income housing projects advance notice that a unit and tenant certifications for a particular year will or will not be inspected and reviewed. However, NH Housing will give an owner advance notice that an inspection of the building and low-income units or tenant record review will occur so that the owner may notify tenants of the inspection and assemble tenant certifications for review. Such notice will be provided no more than 15 days in advance.

Alternative Means of Conducting On-Site Inspections

NH Housing may satisfy the on-site inspection requirements if the inspection is performed under the Department of Housing and Urban Development (HUD) Real Estate Assessment Center (REAC) protocol and the inspection satisfies the requirements of §1.42-5(c)(2)(iii)(C)(4).

Exception for Certain Buildings

NH Housing may choose to enter into an agreement with the Rural Housing Service or the state’s tax-exempt bond issuer, under which those agencies agree to provide information concerning the income and rent of the tenants in buildings that they finance.

C. Inspection Provision

As the allocating agency, NH Housing has the right to perform on-site inspections throughout the term of the Land Use Restriction Agreement. For the on-site inspections of buildings and low-income units required by Treasury Regulation §1.42-5(c)(2)(ii), NH Housing must review any local health, safety, or building code violation reports or notices retained by the owner under paragraph (b)(3) of Treasury Regulation §1.42-5 and must determine—

- (i) Whether the buildings and units are suitable for occupancy, taking into account local health, safety, and building codes (or other habitability standards); or
- (ii) Whether the buildings and units satisfy, as determined by NH Housing, the physical condition standards for public housing established by HUD (24 CFR 5.703). The HUD physical condition standards do not supersede or preempt local health, safety, and building codes. A low-income housing project under Section 42 must continue to satisfy these codes and, if NH Housing becomes aware of any violation of these codes, NH Housing must report the violation to the IRS. However, provided NH Housing determines by inspection that the HUD standards are met, NH Housing is not required to determine by inspection whether the project meets local health, safety, and building codes.

D. Notification of Noncompliance

NH Housing will provide prompt written notice to the owner when NH Housing does not receive the required certifications and other forms, does not receive or is not permitted to inspect the tenant income certifications, supporting documentation and rent records or discovers by inspection, review or in some other manner that the project is not in compliance with the provisions of Section 42. The correction period established by NH Housing is 30 days from the date of the notice. NH Housing may extend the correction period for up to 6 months, but only if NH Housing determines there is good cause for granting the extension. All requests for an extension must be made in writing.

NH Housing is required to file Form 8823, "Low-Income Housing Credit Agencies Report of Noncompliance," with the Internal Revenue Service no later than 45 days after the end of the correction period (as noted above, including extensions) and no earlier than the end of the correction period, whether or not the noncompliance or failure to certify is corrected. NH Housing must explain on Form 8823 the nature of the noncompliance or failure to certify and indicate whether the owner has corrected the noncompliance or failure to certify. Any change in either the applicable fraction or eligible basis that results in a decrease in the qualified basis of the project under section 42(c)(1)(A) is noncompliance that must be reported to the Internal Revenue Service. If NH Housing reports on Form 8823 that a building is entirely out of compliance and will not be in compliance at any time in the future, NH Housing need not file Form 8823 in subsequent years to report that building's noncompliance. If the noncompliance or failure to certify is corrected within 3 years after the end of the correction period, NH Housing is required to file Form 8823 with the Service reporting the correction of the noncompliance or failure to certify.

NH Housing must retain records of noncompliance or failure to certify for 6 years beyond NH Housing's filing of the respective Form 8823. In all other cases, NH Housing must retain the certifications and records described above for 3 years from the end of the calendar year the Agency receives the certifications and records.

E. Delegation of Authority

Treasury Regulation §1.42-5(f) permits NH Housing to retain an agent or other private contractor ("Authorized Delegate") to perform compliance monitoring. The Authorized Delegate must be unrelated to the owner of any building that the Authorized Delegate monitors. The Authorized Delegate may be delegated all of the functions of NH Housing, except for the responsibility of notifying the IRS under Section D above. For example, the Authorized Delegate may be delegated the responsibility of reviewing tenant certifications and documentation, the right to inspect buildings and records, and the responsibility of notifying building owners of lack of certification or noncompliance. The Authorized Delegate must notify NH Housing of any noncompliance or failure to certify.

Should NH Housing delegate compliance monitoring to an Authorized Delegate, NH Housing must use reasonable diligence to ensure that the Authorized Delegate properly performs the delegated monitoring functions. Delegation by NH Housing of compliance

monitoring functions to an Authorized Delegate does not relieve NH Housing of its obligation to notify the Internal Revenue Service of any noncompliance of which NH Housing becomes aware.

NH Housing may delegate all or some of its compliance monitoring responsibilities for a building to another Agency within the State. This delegation may include the responsibility of notifying the IRS under Section D above.

F. Liability

Compliance with the requirements of Section 42 of the Internal Revenue Code is the responsibility of the owner of the qualified low income building for which the credit is allowable. NH Housing's obligation to monitor for compliance with the requirements of Section 42 of the Code does not make NH Housing liable for an owner's noncompliance.

G. Other

NH Housing reserves the right to revise compliance monitoring policies and procedures as required by Section 42, including other guidance published by the IRS.

Please refer to NH Housing's website for further information and required documents.

**APPENDIX J
PRESERVATION SCORING MATRIX**

		Tier 1 (Add 8 points)	Tier 2 (Add 4 points)	Tier 3 (Add 2 points)	Suggested Documentation
Top-tier Eligibility Category	Expiring Affordability Covenants / Risk of Market Conversion	No impediments to market-rate conversion (such as affordability restrictions) in the next four years.	No impediments to market-rate conversion (such as affordability restrictions) in the next eight years.	No impediments to market-rate conversion (such as affordability restrictions) in the next fifteen years.	Copy of legal document indicating the number of units and terms of the agreement.
	Project-based Rental Assistance (PBVs/RD/etc.)	100% of units have rental assistance for at least five years	50% of units have rental assistance for at least five years	20% of units have rental assistance for at least five years	Copy of housing assistance contract or agreement to enter into a housing contract.
		Tier 1 (Add 6 points)	Tier 2 (Add 3 points)	Tier 3 (Add 1 point)	
Second-Tier Eligibility Category	Risk of Loss due to Physical Condition	Probable loss of the property in the next 2-4 years due to condemnation or government action. Significant code and safety issues.	Significant code and safety issues that present a risk to tenants and/or threaten the long-term viability of the property.	Extensive capital needs	Provide a description of how the project meets the requirements for points, along with supporting documentation from a third party.
	Risk of Loss Due to Financial Viability. Analysis based on three years of financials.	Lender has declared or threatened to declare a default due to a payment default by the current owner	Property income is insufficient to pay debt service and basic operating expenses plus required reserve deposits, requiring contributions from other sources.	Property is financially troubled, but able to maintain loan payments and basic operating expenses plus required reserve deposits.	Provide a description of how the project meets the requirements for points, along with three years of audited financial statements, along with past due statements, when applicable.

Unique Acquisition Opportunity	Unique opportunity to purchase a project at a below-market price due to seller motivations.	Sale price based on present value of reduced income stream – value will increase as expiration date approaches.	Property for sale – no particular economic benefit to purchase at this moment.	Provide a description of how the project meets the requirements for points, along with supporting documentation from a third party.
	Tier 1 (Add 6 points)	Tier 2 (Add 3 points)	Tier 3 (Add 1 point)	
Leveraged Funds	Greater than \$29,999 per unit	\$20,000 to \$29,999 per unit	\$10,000 to \$19,999 per unit	Provide a description of how the project meets the requirements for points, along with supporting documentation, such a promissory note, reserves bank statements or other third party documentation.

Leveraged Funds: existing debt, debt that is transferred, resubordinated, rolled over, restated or reissued, as well as existing or transferred reserves as development sources.

APPENDIX K CONDUIT BOND PROVISIONS

In accordance with its Conduit Bond Rules (HFA 116), New Hampshire Housing may allocate bond volume cap to developers for the issuance of conduit bonds to support the new construction or preservation of eligible housing developments. Sponsors of projects financed with conduit bonds may access the 4% LIHTC in accordance with Section §42 of the Internal Revenue Code.

All requirements of the QAP apply to conduit bond projects, except where specific provisions in the HFA 116 Conduit Bond [Rules](#) provide otherwise.

Refer to NH Housing's [Fee Schedule](#) for applicable fees related to conduit bond financing and 4% LIHTCs.



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