
2025 — 4% APPLICATION TRAINING GUIDE

Updated 8-6-2025

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A. DISCLAIMER

This document provides an overview of the 4% federal housing tax credit (LIHTC) online Application (“Application”) and is not all-inclusive or a complete re-iteration of all 4% QAP requirements (“QAP”). Updates to this guide will be available on the current funding round’s webpage. Should an inconsistency exist between the QAP and this document, the QAP shall prevail.

B. AUTHORIZED USERS

1. **Username.** All users must have their own username. Username requests shall be submitted through the online Application by selecting “request one” for IFA approval.
 - Username and passwords are not to be shared.
2. **Granting Access.** Each Applicant shall be responsible for granting and removing Application access to each user. The person who creates the Application shall be the “creator” and shall be responsible for granting and removing Application access to authorized users. Go under View, MyIFA Account, and select “Add new User.”
 - Enter the username and the type of access (specific to the role). The role assigned to the username restricts the type of application access. When granting access to a user make sure the type of access granted matches the role assigned to the username. When the type of access entered does not match the role assigned to the username an error message will be displayed.
 - ✓ Review Applications (reviewer role)
 - ✓ Review and Upload Prior to Placed in Service (“PIS”) Documents (PIS Upload role)
 - ✓ Review and Upload Construction Documents (Construction Upload role)

IFA recommends that a regular review of users’ access to each Application be completed by Applicants. When a staff member leaves, remove access.

C. BOND INDUCEMENT RESOLUTION APPLICATION SUBMISSION AND DUE DATES

1. Applicants that will be using IFA as the Conduit Bond Issuer must have an IFA Board approved Bond Inducement Resolution prior to applying for 4% Tax Credits.
2. The deadline dates for submission of the Bond Inducement Resolution Application for 2025 are **July 23, 2025, or August 20, 2025**. If these dates are missed, Applicants will not be eligible for the 2025 Round without a Bond Inducement Resolution.
3. The Bond Inducement Resolution Application can be completed in the Application by starting a 4% application – Select Create a new 4% Application.
4. Complete the Project Name and Location Tab and go to the Bond Inducement Resolution Application Tab.
 - Answer “yes” to the question that IFA will be the Conduit Bond Issuer to open the Bond Inducement Resolution Application.
 - Complete the Bond Inducement Resolution Application and submit. Contact Aaron.Smith@iowafinance.com or 515.452.0451 with any questions.

Bond Inducement Resolution Application

Part A - Borrower Information

- Project Name must match the Project Name entered into the 4% Tax Credit Application.
- Complete all sections of Part A.

Part B – Project Information

- **Amount of Bond Request.** This can include both taxable and tax-exempt bond financing, if applicable.

Note: the tax-exempt financing will need to be specified on the Funding Sources Tab and must be the lesser of 35% of the aggregate basis or \$25 million when filling out the 4% Tax Credit Application. **Updated**

Location of Project. Address, City, State, and County should match what is entered in Tax Credit Application.

General Project Description. Provide a general description of the Project.

Unit Summary. Enter Low Income Units by Bedroom Size and Market Rate Units by Bedroom Size.

- Answer the question on the Bond proceeds to reimburse capital expenditures already made and if yes, specify the amount.
- Complete section on Parties related to the Project.
- **Sources and Uses of Project Funds**
Permanent Sources would include any permanent debt and LIHTC Equity
Sources and Uses must be equal.
 - Type of Bond Sale: Select Private Placement in the Drop-down field if bank.

Part C – Professionals Participating in the Financing

Complete as applicable. At a minimum, include Bond Counsel, Counsel to Borrower, and Underwriter or Financial Institution purchasing the bonds.

Part D – Fees and Charges

Enter the Borrower Name and who completed the application and title.

5. Once the Bond Inducement Resolution Application is completed, select submit and complete the electronic payment of the Bond Inducement Resolution Application Fee. The bottom of the Bond Inducement Resolution Application will show the amount of the fee due upon submission. Refer to QAP Part A, 2.2 Fees.
6. Refer to Appendix A for further instructions, especially for Projects that will not be using IFA as the Conduit Bond Issuer. Contact Tim Morlan, Asset Management Director at 515.452.0438 or Tim.Morlan@iowafinance.com.

D. 4% APPLICATION PACKAGE AND SUBMISSION DEADLINE

1. The Appendices Package is available under the 2025 4% Housing Tax Credit Round on the website [Housing Tax Credit Resources | Economic Development & Finance Authority](#).
2. Exhibits are available on the Exhibits Tab of the Application. Refer to Appendix B – Exhibits and Scoring Checklist for specific guidance.
3. A complete 4% Application Package must be submitted no later than **4:30 p.m. Central Time on September 17, 2025**, along with the electronic payment of the \$3500 4% Tax Credit Application Fee. Refer to QAP Part A, Sections 2.1 Tax Credit Reservation and Bond Inducement Resolution Schedule and 2.2. Fees.

E. CONFIDENTIAL REQUESTS

- a. **Confidentiality Request.** An Applicant wishing to request confidential treatment of any information in the Application must contact Tyler Barnard, Legal Counsel, at 515-452-0418 to discuss the request and then email Exhibit 15T to Tyler.Barnard@iowafinance.com at **least 20**

business days prior to September 17, 2025 A request made earlier will be accepted. Please refer to QAP Part A, Section 2.7 A – Confidential Request.

- b. To indicate you have a confidentiality request, check the box at the top of the Exhibits Tab and upload the Exhibit 15T that was submitted to Tyler Barnard, as well as the applicable IFA-approved redacted exhibit(s).

F. COMPLETING THE 4% TAX CREDIT APPLICATION

- Applicants may continue to complete entries of each Application tab after submission of the Bond Inducement Resolution Application.
- Save each tab prior to exiting.
- The red X on each Tab will change to a green check mark when all information is correct and saved. Tabs may have a red X until each tab with corresponding requirements have been entered.
 - ✓ If a red X remains and no error message received return to the tab with the red X and save to clear the red X.
- To see error messages, select “Submit” or select “what’s missing” on the top right side of each tab.
- An * indicates a mandatory field.
- A pre-filled checkbox that is greyed out indicates a mandatory QAP requirement.
- Exhibits that apply to all Projects are listed on the Exhibits Tab; however, as entries are made into the Application, additional exhibits will appear in the Exhibit Listing. Refer to Appendix B for further guidance on Exhibit requirements.
- If the exhibit is an IFA required form, select the [\(IFA Form Required\)](#) link to generate the form.

G. APPLICATION TABS

1. Project Name and Location.

- Enter Project Name.
- Enter the name of the political jurisdiction, address, city, zip code, and phone number of the political jurisdiction(s) and CEO's (usually the Mayor) contact information where the project will be located. Ensure the email address is correct. More than one jurisdiction can be entered for a Scattered Site project if applicable.
- This information allows IFA to email the notification to the Chief Executive Officer of the local jurisdiction as required by the Code. The Application system will automatically generate the email notification(s) upon Application submission.

2. Project Description.

Project Type. Select New Construction, Rehab, Acquisition/Rehab, Adaptive Reuse, or a combination thereof.

Bond Information.

Bond Inducement Resolution Date*: If IFA will be the Conduit Bond Issuer, a Bond Inducement Resolution is required for Application submission.

- Enter the date of the Bond Inducement Resolution.

Bond Inducement Resolution Number*: If IFA will be the Conduit Bond Issuer, the Bond Inducement Resolution Number must be entered for Application submission.

Bond Amount*: Enter the amount of bonds from the Bond Inducement Resolution. If the resolution includes both taxable and tax-exempt bonds, break this out on the Funding Source Tab, but enter the total Bond Amount from the Bond Inducement Resolution.

Bond Issuance Date*: Enter this date for the Post-Closing Submittal. (*Not required at initial application)

Scattered Site. Answer the question.

- All buildings must have the same occupancy type and have the same Ownership Entity. Refer to QAP Part A, Section 3.4(B).

Set-Asides.

Rural Set-Aside. If the entire Project qualifies for the set-aside, check the box. Refer to Appendix C – QCTs, DDAs, and Rural Counties.

Minimum Set-Aside Election.

- Select one of the three options. (Average Income Test is not available to Scattered Site Projects, Projects with Market Rate units or a Project with a Federal Project-Based Rental Assistance Contract.)

Owner Elections for Establishing Gross Rent Floor.

Check if Owner plans on establishing the Gross Rent Floor for a date other than IFA's date of determination letter (42(m) letter). If yes, Exhibit 21T must be provided to IFA through the Application (Exhibits Tab) prior to each building's placed in service date.

Occupancy Type. Select the occupancy type from the drop down.

Waiver of Right to Request a Qualified Contract.

This box is automatically checked for all Applications as it is a requirement set forth in the QAP.

Building Type. This section will populate from the Buildings Tab once all buildings are entered.

Transitional Housing.

- Answer the question. If yes, upload Exhibit 13T on the Exhibits Tab. Exhibit 13T must include information on how a non-profit or governmental entity will work to transition tenants to permanent housing within 24 months and provide details on the supportive service programs.
 - ✓ A transitional housing unit shall contain sleeping accommodations, kitchen and bathroom facilities and be in a building that is: 1) Used exclusively to facilitate the transition of homeless individuals to independent living within 24 months (within the meaning of section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302). 2) In which a governmental entity or qualified nonprofit organization provides such individuals with temporary housing and supportive services designed to assist such individuals in locating and retaining permanent housing. 3) A transitional housing unit can be rented on a month-to-month basis and not be considered transient.

Rental Assistance and Existing Affordable Housing Projects.

Projects that may qualify for points for both Federal Project Based Rental Assistance and Resyndication – Existing Federal Housing Tax Credits will be required to make a scoring election on the Scoring Tab in addition to entering the required information in the Application.

Updated 8-6-25

If requesting points for Federal Project Based Rental Assistance, in addition to completing the answers in this section, Applicants must make an election on the Scoring Tab and upload either Exhibit 8S or 8S2.

- Select answer in the drop-down to the question, "Will the project be receiving Federal Project-Based Rental Assistance (project-based rental assistance contract)?"
- If yes, enter the number of units covered under the contract and provide the subsidy source (HUD or RD).
- Check the box for the type of HUD program for which the rental assistance contract is for or for which the Use Agreement applies.
- If yes to federal project-based rental assistance contract, enter the expiration date.

- Once units are entered on the Buildings Tab. The Application can determine the scoring election points.

Transfer of Physical Assets. Answer questions on Transfer of Physical Assets as applicable for HUD, RD and IFA.

- If applicable, answer the question on whether the transfer process has been initiated with HUD or RD for this project.

PHA Project Based Vouchers. If the project has or will have PHA Project-Based Vouchers, complete the 2 questions and upload Exhibit 17T on the Exhibits Tab.

Community Service Facility.

- Answer yes or no as to whether the project will include a Community Service Facility.
- If yes, provide an explanation about the services.
- Answer the question regarding fees and enter amount, if applicable.
- Enter costs on the Costs and Credit Calc. Tab and identify the building that contains this facility.
- Upload Exhibit 18T on the Exhibits Tab.

Public Transportation.

- Check the box for which points are requested and upload Exhibit 2S on the Exhibits Tab.
- If points are requested for a fixed route service, enter the public transportation provider name, bus route number, and bus stop number.
- If points are requested for a dial-a-ride service, enter the service provider's name after checking the box. See comment under Location Near Services if the Project does not have an assigned address.

Location Near Services.

- Check the box for each service points are requested for, enter the service and mileage information for each service.
- Upload Exhibit 1S on the Exhibits Tab for each category points are requested for.
- Make sure to use Google Maps and if an address has not yet been assigned to the Project, email housingtaxcredits@iowafinance.com the latitude and longitude of the Project entrance, along with the site plan and/or plat map, for prior approval of the coordinates to use in the Google Maps for Location Near Services and Public Transportation.

3. Site Description.

- a. Current Property Use Description.** Enter detailed description of the current use of the property, all adjacent property land uses, and surrounding neighborhoods in the description box provided at the top of the page.

- The description will auto-fill into Exhibit 7B/7S when generated on the Exhibits Tab.

- b. Prior Building(s) Use. (*Adaptive Reuse Projects*)**
Adaptive Reuse Projects must enter the current and prior use of the building.

- c. Site Requirements.**

Answer the question on whether the entire Project is in an incorporated city as of the date of Application submission. (If no, the project does not qualify).

- d. Access to Utilities.**

- Check the boxes identifying the utilities available at the site.
- Answer the question whether all the required utilities for the Project are available with adequate capacity on the Project Site?
- Answer the question whether utility extension is required.

- If yes, answer questions whether the utility extension to the site is beyond normal connections and whether the extension will delay construction.
- Answer the question regarding the costs and enter explanation.
- Answer question on whether utility upgrades are required to serve the project.
- If upgrades are required, answer the question whether the upgrade costs are included in the Scope of Work for this project.

e. Access to Paved Roads.

- Answer question on whether the project has direct contiguous access to a public paved road.
 - ✓ If no, enter an explanation and information on the road extension.
 - ✓ If yes, answer the question on whether an extension of a public paved road is required. If yes, answer the following questions:
 - a) Will the construction of any road or road extension run concurrently with the project construction as to not delay construction?
 - b) Is the extension de minimis or more than de minimis?
 - c) Will the cost of this extension be included in the Project Costs? (Only de minimis extension costs may be included in Project Costs).
 - d) Enter explanation if costs are not included in Project Costs.

f. Demolition. If demolition of any building is required or planned, answer yes, and enter a description of the demolition plan.

g. Relocation. (Projects with Existing Buildings)

- Answer the question. If yes, enter relocation information and save.
- Relocation budget amount entered must match the amount entered on the Costs and Credit Calc. Tab.
- The Scoring Tab will automatically list preliminary points for 5.1(C)(5); however, final points will be determined by IFA based on an appropriate relocation budget and information in the Application explaining how the relocation plan addresses the health and safety for tenant relocation during construction.

h. Site Characteristics.

- Check all boxes that are true for any portion of the project site(s) and adjoining sites, enter explanation(s), and upload Exhibits 6B(a), 6B(b) and 6B(c) on the Exhibits Tab.

i. Zoning.

- Answer the question if the site is zoned appropriately for the proposed development. Information shall match the city's completed Exhibit 7B/7S, as well as any other exhibit submitted.
- Answer the question whether any variances, special or conditional use permits or other items requiring a public hearing is needed and provide explanations as applicable.
- If yes is answered that the site is appropriately platted with correct current legal description and the legal description is entered, the applicable preliminary points should be shown on the Scoring Tab for New Construction and Adaptive Reuse Projects.

j. Legal Description. If the site is appropriately platted for the proposed Project, enter the legal description.

4. Site Control.

- a. Identity of Interest.** Answer the question yes or no for Identity of Interest between seller of the real estate for the Project and the Applicant. If yes, an appraisal is required unless the land and buildings purchase price is \$1.00. Refer to QAP Part A, Section 4.1(E) Appraisals.

- Upload the appraisal as Exhibit 2B on the Exhibits Tab.

b. Site Control.

- Enter the entity's name that has site control for the Project: the Ownership Entity, the Developer, General Partner, Managing Member, or Affiliate (must be listed on the Qualified Development Team Tab).
- Answer the questions on whether the Ownership Entity has sole fee simple title to the property.
- If the answer to sole fee simple title is "no", answer the question regarding an option to purchase or purchase contract, the number of options to purchase/purchase contracts.
- Answer the question on any option to lease or executed lease. If yes, enter how many.
- Answer the questions regarding the city parking requirements.
- Upload Exhibit 1B on the Exhibits Tab for each Option to Purchase, Purchase Contract, Option to Lease, or Executed Lease. If sole fee simple title, provide copy of recorded warranty deed and copy of the closing statement to document the purchase price as Exhibit 1B.

Options to Purchase/Purchase Contract and/or Options to Lease/Executed Lease.

The option or purchase contract must not include more acreage than required for the proposed Project. Excess land/acreage is not permitted.

- The Applicant must have an executed and exclusive purchase option or contract with the fee simple owner of the property, not with a third party that holds a purchase option or contract with the fee simple owner. Same applies to lease or option on a lease.

If the Ownership Entity does not have sole fee simple title and there is an Option to Purchase or Purchase Contract, select "Add Option to Purchase or Purchase Contract" and complete the following:

Name of Seller(s)/Optionor(s):

Date Seller/Optionor obtained ownership of real estate:

Will or has an Identity of Interest with the Applicant?

If yes to Identity of Interest, explain relationship:

Purchase Price:

Option/Contract End Date (valid to date)

Acreage

Leasehold Interest - Option to Lease. If the Ownership Entity does not have sole fee simple title for the entire property and there is an Option to Lease, check the box Leasehold Interest – Option(s) to Lease. Select "Add an Option to Lease" and complete the following:

Name of Optionor:

Date Optionor obtained ownership of the real estate:

Will or has an Identity of Interest with the Applicant?

If yes to Identity of Interest, explain relationship:

Is Option for parking spaces or land for parking spaces?

If Optionor is a city, has city council approved action by the city to enter into the Option to Lease through City Resolution?

Option End Date:

Acreage

Leasehold Interest – Executed Lease(s). If the Ownership Entity does not have sole fee simple title for the entire property and has an executed lease for all or a portion of the property, check the box Leasehold Interest – Executed Lease(s). Select “Add an Executed Lease” and complete the following:

Name of Lessor:

Date Lessor obtained ownership of the real estate:

Will or has an Identity of Interest with the Applicant?

If yes to Identity of Interest, explain relationship:

Lease Start Date:

Lease End Date:

Acreage

c. Low-Income Housing Credit for Existing Building.

(Required when acquisition credits are requested)

- Answer the question as to whether the building(s) has been previously placed in service by the Ownership Entity listed in the Application. If the answer is yes, the project does not qualify for acquisition credits.
- Answer the following question: Will or has the Applicant acquired the real estate from a seller who is/was a related person.
- If yes, enter the percent of ownership interest (direct or indirect) in the Ownership Entity and the percent of ownership interest (direct or indirect) in the seller. Please consult with a tax attorney on eligibility for acquisition credits if the transaction involves related parties.
- Upload Exhibit 8T on the Exhibits Tab.

d. Existing Buildings – Section 42(d)(2)(8) “TEN-YEAR RULE”.

This section will appear based on entries in the Application for Projects requesting acquisition credits. If the number of years between the date the Ownership Entity (taxpayer) of the LIHTC Project and the date the current owner placed-in-service is less than ten years, enter explanation supported by the Internal Revenue Code explaining why taxpayer is eligible for tax credits. Enter the Code reference.

- Upload Exhibit 8T on the Exhibits Tab. Exhibit 8T must not be modified from IFA’s template.

e. Reserves.

- Answer the question on whether cash from project reserve accounts will be transferred to the Ownership Entity with the acquisition of the project.
- If yes, enter amount.

f. Easements (Ingress/Egress).

- Answer the questions for ingress/egress access easements. (roads/drives)

g. Vacation of a Public Right to Use. For each yes answer, enter an explanation.

- If purchasing any portion of the site from a city that contains an alley that has not been vacated, the vacation process must be entirely completed for any site control document to be valid and meet IFA’s QAP site control requirements.

5. Ownership Entity.

- Complete the entire tab and upload all applicable 3T exhibits on the Exhibits Tab.
 - ✓ The entity type and status selected should match the applicable Ownership Entity’s 3T Exhibits.
 - ✓ The tax identification number entered for the Ownership Entity must match Exhibit 3Ta and Ownership Entity Components.

- a. **Single-Asset Entity.** Answer the question about whether the Ownership Entity is a single-asset entity. If the answer is no, The Ownership Entity does not qualify.
- b. **Ownership Entity Components.**
 - Select, “Add Ownership Entity Component” and enter information on the General Partner/Managing Member and a limited partner and the percent of ownership. The limited partnership and any special limited partner’s total percentage will populate to the Costs and Credit Calc Tab and be used in the calculation of tax credits.
 - ✓ Entity names and the ownership percentages **must** match the Ownership Entity’s 3T exhibits and the General Partner(s)/Managing Member’s limited partnership agreement or operating agreement.
 - Complete this section for the ownership entity structure for how it currently exists and not for how it will be at closing. The Ownership Entity’s limited partnership agreement or operating agreement should match the Ownership Entity Components section of the Application and Exhibit 3Tf.
 - The Application will require either a GP or MM and a Limited Partner and the percentages to be entered.
 - IFA expects these to be updated at closing with the Investor and the initial limited partner will withdraw and be replaced with the investor limited partner and potentially a special limited partner.
 - ✓ The Tax Identification Number (“TIN”) for the General Partner(s)/Managing Member(s) must match entries made on the Qualified Development Team Tab for these entities.
 - ✓ The Special Limited Partner must be added after closing with the syndicator or direct investor, if applicable, and the percent of ownership interest. Note – Special Limited Partners must also be entered on the Qualified Development Team Tab.
- c. **Authorized Signor(s).**
 - Answer the question about the number of authorized signor(s) and enter information.
 - The Ownership Entity and GP/MM organizational documents should list authorized signors as listed in the application and the title entered in the application must reflect title in the organizational document(s).
 - When completing Exhibit 1T, make sure the authorized signor titles match the application and organizational documents.

6. **Qualified Development Team.**

- **Before generating Exhibit 1T on the Exhibits Tab, complete entry of the entity names for the Developer, Ownership Entity, the General Partner/Managing Member, Architect, Management Company, development consultant (if applicable), and management company on the Qualified Development Team Tab. The Application will pre-fill these entities into the Exhibit 1T form.**
- Enter all team members by selecting, “Add New Team Member” and enter information into each team member tab. Refer to QAP Part A., Section 3.2 – Qualified Development Team.
- If an entity is in more than one team member role, enter the entity and save. Select “Add New Team Member” and select “Copy From an Existing Team Member”.
- If a team member’s “title” does not match the type of team member, list the entity as “other” and explain the role.

Each Team Member is required to Provide:

- Team Member Type and Team Member Is
- Company Name
- Contact Information

Developers and affiliates thereof, GP/MM, Members, Managers and affiliates thereof, and 100% Shareholders are required to provide:

- **Due Diligence Certification and Release.** The Tax Identification Number is required and the date entity formed is required. Upload complete and signed Exhibit 1Ta on the Exhibits Tab.
- **Contact Information/Years of Experience.** If the contact information is the same, select “Click to copy from above”, enter any remaining information, and complete year of related experience and years of Section 42 related experience.
- **Experience Narrative.** Enter the experience explanation when required for a team member (Developer/GP/MM, Member, Manager, 100% Shareholder).
- **Authorized Signors.** Make sure that the number of authorized signors entered for the team member entered matches the organizational document as well as the authorized signor(s) name(s) and title(s).

a. **Qualifying Entity.**

- Answer the question yes or no to designate the Qualifying Entity. Only one entity may be designated as the Qualifying Entity. If the entity is an affiliate, enter affiliate name.
 - ✓ If the Qualifying Entity name is not listed on the IRS Form 8609, make sure documentation is provided with the IRS Form 8609 explaining the affiliation to support the entity qualifies.
 - ✓ Please note that a Qualifying Entity may still be considered a New Developer to Iowa.
- Enter project information into the table for the Qualifying Entity and upload the IRS Form 8609. You must do all at one time in order to save.

a. **Federal Housing Tax Credit Experience.**

- Answer the questions for the GP/MM and the Developer and any individual with at least 50% Ownership of the GP/MM of the Ownership Entity of the Project or Developer of the Project.

b. **Tax Credit Performance.**

Answer each question.

c. **Organizational Structure.**

- Select “Add” and enter information.
- Enter the entity or individuals with ownership and the percent of ownership.
- After saving the entity information, enter the officers/directors/members, stockholders, or partners of the entity. If more than one entity has ownership of the GP/MM, repeat.
- Note – Board Members should not be visible on the first screen under organizational structure.

7. **Ineligibility.**

Review the Ineligibility questions with all team members and affiliates thereof and obtain answers prior to entering the answers and explanations on this tab. Provide explanations and entity names if any box is checked.

- Check the box “None of these apply” if applicable.
- If any apply check the box and enter an explanation.
- IFA will follow up with any issues from due diligence and requires a satisfactory due diligence review to be completed prior to any LIHTC award.

8. **Project Amenities.**

a. **Required Minimum Development Characteristics for Site, Buildings, and Units.**

The mandatory requirements set forth in the QAP listed by Site, by Building/Units and are greyed out except for the categories where an election must be entered.

- Site: Family projects: If requesting an alternative for playground, check the box, explain, and describe alternative.
- Units: Enter the following:
 - Type of Unit flooring
 - Type of bathroom flooring
 - Type of shower flooring in Accessible Units
 - Range type (electric or gas)
 - Heating Type
 - Air Conditioning Type
 - Energy Efficient Water Heating Type

b. Market Appeal.

All amenities selected shall be provided at no cost to the tenants. If a Scattered Site project, the selected amenities shall be provided at all sites.

- Check the box for each category points are requested. (*Maximum of 18 points.*)

c. Other Site, Project/Unit Amenities.

- Answer the question for on-site manager/employee's unit (common space unit).
- If a community building is planned as part of the project, check the box and enter the net square footage. Be sure to enter the building separately on the Buildings Tab if the community building is not attached to any building, check it as an accessory building when entering it on the Buildings Tab.
- Answer questions on the use of the community/common space.
- **Site:** Enter the type of parking and the number under the correct category – off-site and/or on-site (as applicable) and whether rent will be charged. If a fee is charged, enter the amount. Note – if a fee is charged, the cost is not allowable in Eligible Basis and the Cost needs to be entered in Section II Site Work – Parking or Garages (not included in rent).
- **Project:** Check the applicable amenities provided. Use “other” to list an amenity not listed. If the project has market rate units, enter the differences in the LIHTC and Market Rate Unit Amenities. **If there are no market rate units, leave blank.**

9. Scope of Work. (Acquisition Rehabilitation, Rehab Projects Only)

- Enter information for the Scope of Work.
- Upload Exhibit 9B/9S on the Exhibits Tab.
- The Scoring Tab will show a preliminary score for scoring category 5.1(C)(1); however, the final score will be determined by IFA's evaluation of the Capital Needs Assessment (Exhibit 9B/9S) and the Scope of Work.

10. Buildings.

Recommend entering Tenant Paid Utilities for all building types prior to entering the buildings so the utility allowance will automatically pull into the units when entering units and you can “assign” applicable tenant paid utility allowance to the appropriate building.

- **Historic.** Answer the question on whether the entire project is on or eligible for the National Register of Historic Places. Upload Exhibit 6Ta on the Exhibits Tab if “yes”.
 - ✓ If the answer is no but there is a building or more than one building that is one or eligible for the National Register of Historic Places, when entering each building, answer the project-specific question related to historic eligibility “yes” for each building that qualifies for historic tax credits. Upload Exhibit 6Ta on the Exhibits Tab, and enter federal and state historic tax credits on the Funding Sources Tab.
 - ✓ If the answer is yes that the entire project is on or eligible for the National Register of Historic Places, enter state and federal historic tax credits on the Funding Sources Tab

and upload Exhibit 6Ta on the Exhibits Tab. Make sure no taxpayer identification number is included (remove prior to uploading).

- ✓ Note: Both federal and state historic tax credits must be used if eligible.

a. Tenant-Paid Utilities.

Select “Add New Tenant Paid Utility”, name the utility allowance, and make an election in the drop down for the source (HUSM, PHA, RD, or HUD (if Section 8). Enter amounts by bedroom size for each tenant paid utility.

- ✓ The utility allowance must be assigned to each building on the Buildings Tab.
- ✓ If there are multiple building types or buildings and have different utility allowances, the assignment will be made by the name entered for the applicable tenant paid utility.
- ✓ Upload Exhibit 11T on the Exhibits Tab.
- ✓ Refer to Appendix B Exhibit and Scoring Checklist.
- ✓ Only one source may be used for preparing a utility allowance.

b. Entry of Community Building.

- Select “Add New Building.”
- If a building will have no residential units but will be used for all residents, check the first box on the Buildings Tab. Check if Building is Common Space only. This eliminates questions not required unless the building has residential units.

c. Entry of Residential Buildings.

For residential buildings, select “Add New Building.”

1) Address Information.

- Try to use an assigned address. If not a current valid address, the census tract will not populate into Buildings tab. The look-up verification for census tracts and congressional district requires a valid address.
- If there is not an assigned address, manually type in the correct census tract in the census tract field and save if it does not automatically populate after entry of address. Do not use (0) for a census tract.
- Check the box “Primary Address” on the building to use for the primary address.
- Enter the address number, street name, city, and the correct nine-digit zip code. The “blue” zip code reference is a link to the United States Postal Service that will provide the complete nine-digit zip code. If a site does not have an assigned address number and/or street name, email housingtaxcredits@iowafinance.com for approval to use an alternate primary address for the Google maps for the applicable Location to Services and Public Transportation scores. Please try to do so at least two weeks prior to application submission due date.
- Upload Exhibit 16T on the Exhibits Tab if any building or the entire project is in a QCT or DDA.

2) Other Information.

- Enter the number of stories.
- Enter the building type.
- Enter anticipated placed-in-service date.
- If an existing building, enter date constructed.
- Enter the number of Units Accessible for Mobility Impairments (Fully Accessible) and the number of Units with Accessible Communication Features in each building. The number must match the number of units entered as each accessibility type.
- For Type of Control, select the correct type of control in the drop down and it should match the Site Control Tab and Exhibit 1B. Select the options/contracts that apply to the building. In cases where there is more than one option/contract or lease/option to lease, be sure to select the correct one for each building.

3) Acquisition Information. (If applicable)

- Enter the acquisition date, acquisition cost, rehabilitation cost, and date placed in service by previous owner.
- If the project has buildings that have been part of a prior or existing LIHTC Project, answer the questions and enter the Building Identification Number (BIN) previously assigned to the building.
- Enter information on the LURA and the minimum set-aside election shown in the LURA.

4) Existing Federal Housing Tax Credit Project.

- Answer the question whether the building is part of an existing federal housing tax credit project that has completed the initial 15-year Compliance Period.
- If yes, enter the start date of the 15-year Compliance Period.
 - ✓ If eligible, preliminary points will be shown on the Scoring Tab; however, if the Tax Credit Project also has a Federal Project-Based Rental Assistance Contract with HUD or RD, points will not be shown until the Applicant makes a scoring election on the Scoring Tab to receive points. **Updated 8-6-2025**

5) Resyndication.

- Select the correct option in the drop down for scoring points; otherwise, N/A.
- Preliminary points should be listed on the Scoring Tabs based on the election selected.
- If the Project is also a HUD or RD Project and qualify for points under 5.1(C), Applicant must choose which category to request points under. Applicant's choice. **Updated 8-6-25**

6) Utilities Included in Rent.

- Check the box for each utility included in rent.

7) Assignment of Heating, Cooling, and Water Heating to Building.

Select the applicable name from the election made on the Project Amenities Tab

8) Tenant Paid Utilities.

- In the drop-down, select the name of the tenant-paid utility that is to be assigned to the building. A PHA utility allowance should be shown as PHA and not HUD.
- Answer the question on additional charges that are mandatory charges required for tenancy. If yes, enter the amount and explanation of the mandatory charge. Mandatory charges shall be reflected in the gross rents.
- Answer the question on sub-metering and if yes, check the box to certify that in each sub-metered rent-restricted unit, utility costs will be billed and paid by tenants based on actual consumption and treated as paid directly by the tenant for purposes of Section 42(g)(2)(B)(ii) of the Internal Revenue Code.
- If HUSM is source for utility allowance, provide documentation to support the calculation in Exhibit 11T. Refer to Appendix B – Exhibits and Scoring Checklist.

9) Laundry.

Enter the laundry type for the building.

- New Construction and Adaptive Reuse must select In-Unit Laundry.
- If the building is acquired as part of an Acq/Rehab or a Rehab project and in-unit laundry is not elected under Market Appeal, select common laundry and enter the number of washers and dryers per building.

10) Building Includes.

- If the building will have a Community Service Facility and is in a Qualified Census Tract ("QCT"), check the box and upload Exhibit 18T on the Exhibits Tab. (If yes,

make sure the information on the community service facility has been completed on the Project Description Tab.)

- If the building will be an accessory building, check the box. If an accessory building, enter the cost on the applicable line on the Costs and Credit Calc Tab.
- If the building has commercial space/facilities, check the box. Be sure the commercial space net square footage is entered under Square Footage.
- If there are other facilities, check the box.
- Check the box if the building has or will have an elevator and enter the number of elevators.

11) Main Entrance Area.

Select the applicable option for the building type.

12) Square Footage Information. Enter the net square footage for the common areas and any commercial space (if applicable) for each building and the gross square footage of the building.

- The residential square footage and the total net floor square footage will populate. (A Manager's Unit is common space and not a residential unit).
- Plans shall show the net square footages of all units and rooms in each building and provide the overall gross square footage of each building.
- Net square footage entered must match the net square footage shown in the uploaded Exhibits 5B and 8B (plans).

13) Units.

- Select Add New Unit(s)
- Enter the number of units for the building by bedroom size, net square footage, AMI %, accessibility type, rent, new or rehab, etc. The utility allowance amount will auto-populate if a tenant-paid utility allowance has been entered and assigned to the building.
- Make sure the county and the census tract are showing at the top of the building tap otherwise rent limits will not populate. Rent limits are based on the county and without a county, TAC will not know which rent limits to apply. An error will result.

Example:

Number of Units:

of Bedrooms:

Baths:

Net Sq. Ft.:

AMI%:

Monthly Rent

Accessibility Type

New Construction or Rehab (if applicable)

- If awarded, the Application will require unit numbers in the 8609 Application. The unit summary from threshold will automatically be individual unit listings in the 8609 Application.
- Plans must match application entries for all units and buildings.

11. Funding Sources.

a. Tax Credit Price.

- Enter the estimated price on the sale of federal tax credits. Upload Exhibit 10T on the Exhibits Tab. The equity price entered in the application must match Exhibit 10T.
 - ✓ The equity price may not be changed during the threshold deficiency period unless requested by IFA.

- ✓ For awarded projects, do not change equity pricing for any reason in the IRS Form 8609 Application (for example: adjusters).

b. Federal Financing.

Answer yes or no and select each applicable type of federal financing in the project.

- If there is federal financing in the project and the Project is Adaptive Reuse, answer the question if the Federal 106 Review has been submitted to SHPO. If yes, preliminary scoring points should be listed on the Scoring Tab. Upload Exhibit 6S106 on the Exhibits Tab.
- If there is no federal financing as a funding source (nor will be a funding source), upload Exhibit 5S on the Exhibits Tab. Preliminary scoring points should be listed on the Scoring Tab if the project type is Acq/Rehab or New Construction.

c. Funding Sources.

- Select “Add New Funding Source” and enter the information for each funding source.
- Existing assumed debt will be included in total funding sources on the Costs and Credit Calc. Tab unless the box is checked to exclude it.
- The tax-exempt funding source may not exceed the lesser of 35% of the aggregate basis or \$25 million. **Updated**

12. Costs and Credit Calc.

a. Costs. Enter the cost in the first column.

b. Eligible Basis.

Enter amounts in the applicable 30% PV (Acquisition) or 70% PV (New Construction or Rehab) column(s).

- If there is an existing field, do not enter the cost under “Other.”
- “Other” amounts entered require a cost break-down and explanation.
- If a large amount is entered for on-site work, provide a cost breakdown in the comment box at the bottom of the page.
- Off Site Work for Utility: Only costs for normal connections and extensions can be included in Project costs.
- Off Site Paved Road: If a de minimis extension, the cost may be included in Project Costs.
- If fees will be charged for garages or parking, the cost must be entered separately and not included in the construction or rehabilitation line item. List in II. Site Work – Garages (not included in rent) and/or Parking (not included in rent).
- If Accessory Building was selected on the Buildings Tab, enter the cost on the Accessory Building line item.
- If project is in a Qualified Census Tract (“QCT”) and has selected Community Service Facility, enter the amount for such facility.
- If the entire Project is not located in a QCT, Applicant should consult with Tax Accountant and determine the correct percentage of boost the project qualifies for per building. Enter the percentage to be applied.
- If Garages, Surface Parking, or Underground Parking is marked on the Project Amenities Tab and will be part of the LIHTC rent, enter the applicable cost. Do not include in construction or rehabilitation costs or an error will result.
- Note certain energy credits will not reduce eligible basis. Please consult your tax accountant.
- Enter the applicable application and 8609 fee.
 - ✓ The IFA construction monitoring fee and compliance fee are automatically included.
 - ✓ Tax Credit Reservation fee should be based on the lesser credit amount from the Eligible Basis and Equity Gap Credit Calculation. Calculation is 1.25% of the total 10-year tax credit amount.

✓ 8609 fee is \$20,000.

- c. **Increase in Eligible Basis for QCT/DDA.** An increase in Eligible Basis will be listed on the line items titled "Increase in Eligible Basis." To view the calculation, hover over the amount shown in the 70% Eligible Basis column. The maximum increase is 30%. The Financial Feasibility Tab will show the % of increase.
- ✓ If the entire Project is not located in a QCT, Applicant should consult with a Tax Accountant and determine the correct percentage of boost allowable for an increase, at the project level, in eligible basis, for the buildings that are in a QCT. Enter the percentage.
 - ✓ When awarded, the qualified certified basis of each building will be accounted for on the Qualified Certified Basis Tab in order to issue the final credits for each building on IRS Form 8609.
- d. **Project's Applicable Fraction.** The Project's Applicable Fraction is the lesser of the Unit fraction or the floor space fraction as set forth in IRS Code Section 42(c)(1).
- Each building's applicable fraction is listed on the Buildings Tab.
 - Each building's applicable fraction will be part of the LURA.
- e. **Tax Credit Calculation.**
- Tax Credits are calculated based on the lower of the Eligible Basis and the Equity Gap calculations up to the Project's Tax Credit Cap, Project Cap, if applicable.
- Equity Gap calculation cannot exceed the Eligible Basis calculation or there is a funding gap.

13. Projected Operating Costs.

- Sections I-IV. Enter amounts.
- Section II. Enter taxes and insurance. Property taxes must be entered separately for years 1-15 with escalation.
- If the replacement reserves will be a "flat" amount, check the box so the application will not escalate the amount on the Projected Cash Flow Tab.
- Include amount for video security operating expense.
- If the compliance monitoring fee will be paid all up-front, check the box.

14. Projected Cash Flow.

- a. **Income and Expense Escalators.**
- Enter the income and expense inflation rates. Management fees shall escalate at the same rate as income.
- b. **Vacancy Rate.** A 7% vacancy rate is used for all projects unless a different rate is recommended by a lender or investor.
- Field is editable if lender or investor requires a different vacancy rate.
- c. **Operating Income.**
- If the Project has income for less than 15 years and will not escalate, enter in the "Other" under Net Rental/Other Income and provide explanation.
 - ✓ This shall be included in the Cash Flow, without escalation based on information entered.
 - Enter any Parking, Stores/Commercial, Laundry/Vending and Other Income.
 - ✓ Total Gross Income Potential at 100% Occupancy, Vacancy Allowance, Net Rental/Other Income populates automatically.
 - ✓ Income from a Manager's Unit is included in Total Gross Income but is excluded from the Vacancy Allowance Calculation.
 - ✓ Total Operating Expenses, Net Operating Income, Net Cash Flow, Debt Coverage Ratio, Ratio populates.

d. 15-Year Cash Flow.

- Populates based on information from entries on the Funding Sources, Projected Operating Expenses, and Projected Cash Flow Tabs.
- Net Cash Flow/Unit/Year and NOI are provided in the Cash Flow Table.
- DSCR requirements are listed on the Financial Feasibility Tab.

15. Financial Feasibility.

- Financial Feasibility requirements must be met.
 - The following maximum fee calculations may be viewed by “hovering” on the calculated amount:
 - Developer Fees
 - Builder and General Contractor Fees
- a. Operating Expenses.** The operating expense requirements are subject to IFA review.
- b. Debt Coverage Ratio.**
The DSCR requirement set forth in the QAP is provided and the Project's yearly DSCR is listed. This is also available on the Projected Cash Flow Tab.
- c. Operating Reserve.** Answer question regarding a line of credit. If yes, enter the amount and upload Exhibit 6Tb – Operating Reserve Letter of Intent on the Exhibits Tab.
- d. Annual Per-Unit Replacement Reserves.**
The replacement reserve requirement set forth in QAP is listed and entries made on the Projected Operating Costs Tab.
- e. Developer Fee.** Lists the requirement as set forth in the QAP.
- f. Builder and General Contractor Fees.**
Lists the builder and general contractor fee requirement and calculation as set forth in the QAP. (Max. of 15%)
- g. Rehabilitation Standards.** Provides the rehabilitation expenditures requirement as set forth in the QAP and the Project's rehabilitation expenditures. Be sure the adjusted building basis and rehabilitation expenditures are entered correctly.

16. Scoring.

- IFA is not bound by any oral or written representation made in connection with the Application other than those provided on its website. Submit questions to housingtaxcredits@iowafinance.com.
- The preliminary score is not a guarantee of the final score.
- Scoring exhibits must be uploaded to the application prior to the submission due date of September 17, 2025.
- Review the Instructions on the Scoring Tab as well as Appendix B – Exhibits and Scoring Checklist.
- Under Readiness to Proceed 5.1 C – Preservation (Acq/Rehab), if a Project qualifies for points under both 5.1C 2 and 5.1C 3, Applicant must check the box either in 5.1 C 2 or 5.1C 3 to request points. If 5.1C3 is chosen, a related exhibit must be uploaded on the Exhibits Tab. **Updated 8-6-25.**
- Review the preliminary score closely to ensure it is accurate prior to checking the box to accept the preliminary score and submitting the application.
- Iowa Title Guaranty requires a box be checked on the Scoring Tab to request points.
- Contact IFA prior to Application submission with any questions on the preliminary score.

17. Exhibits.

- All exhibits are part of the Application.
- The exhibit checklist on the Exhibits Tab provides a listing of required exhibits based upon information entered in the Application.
- Each exhibit that is an IFA Required Form (or template) is available on the Exhibits Tab in the Exhibit Checklist.
- **Exhibit 7B/7S must be generated on the exhibit checklist on the Exhibits Tab after entering information on the Project Name and Location, Site Control, Qualified Development Team, Buildings, and Site Description Tabs.** Applicants shall send Exhibit 7B/7S with the site plan to the city for completion and signature. **Applicants shall not pre-fill in Section B. prior to sending to the city.** The uploaded Exhibit 7B/7S must also include the site plan submitted to the city.
- IFA prefers original signatures on the documents on the forms. If not, make sure to use an authorized digital signature software that captures the name and date signed. **Exception – Exhibit 1Ta (Due Diligence Release) requires original signature.**
- If scanning an exhibit with signatures, scan in color.

18. Overview.

(No entry required – auto-fills specific information from each Tab)

- Basic project information.
- LURA available for awarded Projects.
- Documents such as the IRS Form 8609 and the LURA are not available for public information reviewers unless the document is specifically requested and may require redaction.

19. Award Of 4% Tax Credits/Issuance of Section 42M letter

The Iowa Finance Authority Board of Directors shall make awards for the current funding round at the December 2025 Board meeting. A rank master shall be available at that time.

- A Section 42M letter will be issued to the Ownership Entity for all awarded projects following IFA Board approval. Awarded projects have 30 days to submit electronic payment of the reservation fee through the Fees Tab in the Application.
- Written non-award letters shall be emailed to each Applicant after the IFA Board Meeting.
- The appeals process is set forth in QAP Part A, Section 6.6.
- All awarded Developers and specific project team members are required to attend a Developer Award Meeting with IFA Tax Credit Staff.

20. Post Award.

a. Assignments Tab.

The Project's team will receive assignments from award through IRS Form 8609 issuance.

1. A red flag will indicate an assignment.
2. Assignments may be viewed for all Projects or for just a specific project for Developers with multiple awarded Projects.
3. Specific assignments must be completed prior to submission of the Post-Closing and the IRS Form 8609 Application Package. If not completed, an error message will be received. The outstanding assignment will need completed for Application submission.
4. **IFA encourages the Project team to establish a procedure to monitor the assignments and coordinate the completion of assignments and the submission (upload) of the required Prior to Placed-in-Service documents and Construction documents to ensure timely completion of assignments.**

b. Construction Tab.

Awarded Projects shall upload all required construction documents to the Construction Tab. The initial construction package should be approved by IFA around the same time as the post-closing submittal is submitted to IFA, but always prior to the start of construction.

- Individuals who will be corresponding with IFA's Construction Analyst on construction documents and uploading construction documents will need to have own username name to have access – such as general contractor, architect, and energy consultant.

c. Land Use Restrictive Covenants Agreement “LURA”.

- IFA will issue the LURA after the Post-Closing and the final plans have been approved.
 - ✓ Upon receipt of the signed LURA from the Ownership Entity, IFA will execute and send the LURA for recording at the county recorder's office.
 - ✓ The LURA shall be recorded no later than December 31st of the calendar year in which the first year of Tax Credits will be claimed.

d. Change in Application Request.

After a Tax Credit award, change requests are only accepted through the Application by selecting “Request a Change.” Instructions are available on the 4% Housing Tax Credit page here: [download](#)

- If IFA determines the change request is a Material Change, the Material Change in Application Fee will be billed to the Ownership Entity and five points could be lost – refer to QAP Section 5.4(C) Tax Credit Performance.
- Refer to the QAP, Part B, 7.2 Changes to the Application.

e. Prior to Placed-in-Service Documents.

Required documents will be listed on the Prior to Placed in Service (PIS) Tab for awarded projects. Submit no later than 120 days prior to the 1st unit being placed in service and before leasing begins. Contact Bernadette.Beck@iowafinance.com with any questions. Refer to the 4% Housing Tax Credit Program Page – Prior to Placed-in-Service Documents for further information. [Housing Tax Credit Resources | Economic Development & Finance Authority](#)

f. IRS Form 8609 Application.

The IRS 8609 Application Package Checklist shall be posted on the IFA 4% Housing Tax Credit Program page annually. Exhibits are available on the Exhibits Tab.

- An assignment “red flag” will appear for submission of the IRS Form 8609 Application Package.
- To request an extension for submission, selection the Request an Extension Tab.
- A due diligence review will be performed and must be satisfactory prior to the issuance of IRS Form 8609.
- Awarded Applicants shall submit the IRS Form 8609 Application Package through the Application no later than the date set forth in the QAP unless an extension has been requested and approved. An earlier submission is acceptable and encouraged if an Applicant has a complete IRS Form 8609 Application Package. An extension request will result in a late submission fee as set forth in the QAP.
- The 8609 Application and Compliance Monitoring Fees are billed at submission.
- Qualified Certified Basis Tab. Entries will be used to create the IRS Form(s) 8609.
- IFA will send a deficiency notification through the online Application requiring correction(s) or clarifications/responses. Applicants must make requested changes and submit the deficiency response through the online Application.
 - ✓ IFA will send a written notification showing the final Tax Credit determination based upon the final 8609 underwritten Application.
- The Ownership Entity must sign and return the notice of the final underwritten Tax Credit amount.
 - ✓ IFA shall issue the IRS Form 8609 after all required Application Package documents have been submitted and reviewed, and payments for all applicable fees have been received.