

2026 LIHTC 9% ROUND QUESTIONS AND ANSWERS

New Q&A in red.

This is the final Q&A for the 2026 9% round.

QAP Section	Question	IFA Answer
General	Has the Second Amended 2026-27 9% QAP been approved?	The IFA Board approved the Second Amended 2026-27 9% QAP on February 4, but IFA will not be able to make awards until it is signed by the Governor. Once the Governor has signed, the draft watermark will be removed from the Second Amended 2026-27 9% QAP that is posted on the website.
Exhibit 1Ta	Does Exhibit 1Ta auto-populate with information (not questions) from the Qualified Development Team members?	No, the system does not populate fields in the Exhibit 1Ta.
1.3 – Project Limitations		
A. Per Unit Tax Credit Cap	In the calculation of % of bedrooms, do studio units count as one-bedroom units for senior projects?	In the 2026-27 9% QAP, Section 14.5.B states that all units in new construction and adaptive reuse projects must be at least a 1 bedroom. New construction and adaptive reuse Projects cannot contain studio units.
C. Developer, General Partner/Managing Member Cap	When considering the Developer Cap, does IFA assign credits based on ownership percentage?	No. IFA does not assign credits based on percentage. If an entity is involved in a Project, the Developer, General Partner/Managing Member Cap applies.
C. Developer, General Partner/Managing Member Cap	Can you confirm that any involvement in the project results in credits being assigned to a Developer?	As 1.3.C of the QAP states, “IFA will not award Tax Credits to any project in which the Developer, General Partner/Managing Member, or Affiliate is controlled by an

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		<p>individual or entity that is involved with other awarded projects in the same round that, in the aggregate, have been awarded 2 projects or \$1,600,000. Whether an individual's or entity's involvement in a project counts towards the calculation of the 2 projects or \$1,600,000 limit is in IFA's sole discretion." Additionally, IFA defines Applicant in the Glossary as "The Ownership Entity, Developer, General Partner, Managing Member, or Affiliate as shown in the Application."</p> <p>Percentage of ownership does not matter.</p>
2.4 – Application Submittal	Will IFA release the scores for 2026 LIHTC applicants after application submission as in recent years, or are the scores not released until Projects are awarded?	Yes. Please refer to the 2026-2027 Second Amended 9% QAP Part A., Section 2.4: "Applicants shall pay the Application Submission Fee when submitting the Application prior to the Submission due date. Within 1 business day of the Application submission deadline, preliminary scoring for all submitted applications shall be posted on the IFA website. Within 5 business days of the Submission due date, Applicants must pay the Application Review Fee if they want their application submitted for full Application Review."
3.4 – Site Requirements		
A. Zoning	Does Section 3.4.A - Zoning allow for proper zoning approved by the City with the only condition being the award of tax credits?	3.4.A of the QAP states that the current zoning at the time of Application submission must permit the proposed Project with all permits and variances completed and approved. Any conditional zoning, including zoning based on the award of tax credits, is not permitted.
A. Zoning	If a Project is re-platting their site, can the final re-platting occur after the award of tax credits?	Final re-platting may occur after tax credit award. The Site Control documentation provided at time of Application submission must be for just the land being purchased for

		the Project, and a proposed re-plat will also be required to identify the site.
D. Detrimental Site Characteristics	If a site includes portions of the parcel that are within the 100-year flood zone, but the Project would not build within that area, would this site be acceptable to IFA?	No. No portion of a site may be in a 100-year flood zone, even for mitigation purposes.
4.1 – Project Development Costs	Would a Project be able to claim a rental office as part of eligible basis if that rental office is either: an extension of a project building with a separate entrance or if the rental office is a separate building completely?	As long as the Ownership Entity will have and maintain ownership of the separate building or the extension of the building, then the rental office would be considered common space as long it is not income generating space and necessary for and exclusive to the Project. Any rental office must meet accessibility requirements.
4.2 - Project Funding Sources	Since the total funds available for HOME and NHTF are marked as contingent on funding availability in the HOME/NHTF Appendices, how can developers find out how much is available for the 9% round?	Contact the HOME Team at Ashley.McKenna@iowafinance.com and the NHTF Team at Carol.Wells@iowafinance.com for further information on funding availability.
Section 5 – Basis Boost	If a project qualifies for the 30% basis boost does that allow for the unit cap of a qualifying family project to increase from \$34,250 (x30% = \$10,275) to a total of \$44,525?	Correct, the per unit cap for a new construction or adaptive reuse family project in this scenario would be up to \$44,525 but the Project Cap would remain at \$1,700,000 under the Second Amended 2026-27 9% QAP that is going before the IFA Board for approval on February 4 and subject to signature by the Governor.
	For Projects that meet two of the Basis Boost categories that provide a 20% Basis Boost, would a Project be able to receive the 30% maximum Basis Boost?	IFA allows Projects to combine Basis Boost categories to receive the maximum 30% Basis Boost, except for Section 5.3 and 5.4 as specified in Section 5 of the Second Amended 2026-27 9% QAP.

<p>5.4 – Single Family, Townhome/Rowhouse, or Duplex</p>	<p>For a 20% basis boost under QAP Section 5.4 - Single Family, Townhome/Rowhouse, or Duplex, Projects must provide at least 20% of the units as duplexes or townhomes/rowhouses to be eligible. Can IFA confirm that the basis boost would apply to 100% of the units and not just the units of this type?</p>	<p>If the Project meets all requirements for the Townhome/Rowhouse, or Duplex, the 20% increase in Eligible Basis would be applied. 20% is the minimum to get the 20% increase; however, that is the maximum % of increase in Eligible Basis permitted by Section 5.4 for Townhome/Rowhouse or Duplex, and it cannot be combined with Section 5.3 Projects Providing Permanent Supportive Housing. The increase in basis is applied to the total project eligible basis on the Costs and Credit Calc Tab at Threshold Application and at Carryover-10% Test Application and the Owner must break out the credits/certified qualified basis by building at the time of the IRS Form 8609 application for the IRS Form 8609 issuance.</p>
<p>5.4 – Single Family, Townhome/Rowhouse, or Duplex</p>	<p>Do the single-family units have to be completely detached from one another to receive the 30% Basis Boost in Section 5.4?</p>	<p>For a Project to receive a 30% Basis Boost under 5.4, at least 20% of the units need to be detached single-family homes.</p>
<p>6.1 – Affordability for Residents</p>		
	<p>Can HOME or NHTF units count toward points under any category of 6.1 - Affordability for Residents?</p>	<p>Any HOME unit, whether city or State, does not count towards the rent affordability points.</p>
<p>A. Serving 40% LIHTC Residents</p>	<p>Can a Project that is 100% covered by a Project Based Rental Assistance contract elect points under 6.1.A?</p>	<p>No. IFA does not allow Projects that are covered 100% by a Project Based Rental Assistance contract to elect any points under 6.1.A.</p>
<p>B. Rent Reduction</p>	<p>If the project is all 60% AMI with 2-, 3-, and 4-bedroom units, does the rent reduction for points under 6.4.B have to be for every unit size, or can they be any 60% AMI unit size?</p>	<p>IFA prefers these units be spread out among all bedroom sizes if the Project has more than one bedroom size to provide the affordability option to more households.</p>

6.2 – Location		
	For categories where specific cities are listed for points, are communities near to but not part of that city eligible as well for these points?	No. Projects must be located with the city specified in the applicable appendix to be eligible for points under city specific categories.
H. Site Appeal	If a building is located in a historic district, does not contribute to the historic nature of the Project, and is not currently eligible to receive federal and state historic tax credits, how should the question in the Application be answered on whether all buildings in the Project are eligible for the National Register or listed on the National Register or have a Part I?	The question in the Application should be answered no. All buildings in the Project must be eligible to receive historic tax credits. Such a Project would also not be eligible for points under 6.2.H - Site Appeal under Category 12.
H. Site Appeal	How does IFA treat properties adjacent to vacant lots for points under Section 6.2.H - Site Appeal, Category 6 - Adjacent Properties?	Any type of vacant lot next to the property is not considered an existing development.
H. Site Appeal	For Section 6.2.H - Site Appeal, Category 9 - Public Paved Road Complete with Storm Drainage, is there a minimum distance that IFA uses to calculate points?	5 points under this category is reserved for sites that require no offsite work on any road extensions that would be unnecessary without the construction of the project, and nothing more than a driveway up to the property line is required. 3 points under this category is for sites that require a small extension of the road that does not exceed the length of the property.
H. Site Appeal	For Section 6.2.H - Site Appeal, Category 10 - Offsite Utilities, is there a minimum distance that IFA uses to calculate points?	5 points under this category is reserved for sites that require no offsite work on any major utilities like water/sewer mains, and nothing more than a normal connection is required. 3 points under this category is for

		sites that have utilities at the edge of the property line but require a small extension of the major utilities.
H. Site Appeal	For Section 6.2.H - Site Appeal, Category 7 - Noise from Adjacent Uses, is there a maximum decibel level that would distinguish between a quiet residential neighborhood and urban city noise?	IFA considers a site wholly contained within a quiet residential neighborhood eligible for the 5 points. There is not a decibel level used to determine this category.
H. Site Appeal	In Section 6.2.H - Site Appeal, Category 1 - Site Neighborhood, what is the length of time IFA is considering for the "past 3 years"?	The term "past three years" means three years prior to when the application is due, so any occurrence after March 11, 2023, would be applicable.
H. Site Appeal	In Section 6.2.H - Site Appeal, Category 1 - Site Neighborhood, what size or scope of residential renovations count toward this category?	The size of the renovation is trivial but would need to be significant enough to warrant a permit issued by the municipality where the project resides.
H. Site Appeal	In Section 6.2.H - Site Appeal, Category 1 - Site Neighborhood, what supporting documentation will IFA accept to document residential renovations?	The burden of proof is on the applicant when completing the text box in the application both citing the renovation and/or new construction permits that fall into the parameters of this Category.
H. Site Appeal	Does a Hy-Vee Fast and Fresh count as a Grocery Store?	IFA considers a Hy-Vee Fast and Fresh to be a convenience store. It would be eligible for Site Appeal points under Category 2 - Neighborhood Location to Services, but not Category 3 - Location to Grocery Store.
H. Site Appeal	Does an alternative school that is a part of the public school district count as a Public School?	Yes, an alternative school that is part of the public school district would be eligible for Site Appeal points under Category 4 - Location to Daycare Center, Public School, or Senior Center.

H. Site Appeal	How do Projects that don't yet have a physical address determine the coordinates IFA will accept to use for Site Appeal Exhibits?	Refer to Appendix N - Exhibits Checklist for what IFA needs to determine coordinates to use for 6.2.H.
M. Exterior Materials	Can a rehab of an existing brick building elect points under 6.3.M - Exterior Materials?	For an existing brick building to take points under 6.3.M, the exterior would still need to meet at least 30% of the gross exterior and 4" nominal brick requirements as specified in the section.
N. Energy Efficiency	In Section 6.3, Market Appeal, are the Energy Efficiency points in 6.3.N offered inclusive to the 5 points maximum for Market Appeal or are they a separate subset section allowing up to 3 points maximum for 6.3.N in addition to the 5-point maximum for Market Appeal?	The Energy Efficiency points are inclusive to the 5-point max in Section 6.3, Market Appeal and are not a separate sub-section.
6.4 – Qualified Development Team		
	Can a Project receive up to 5 points under Section 6.4 - Qualified Development Team by receiving full points under 6.4.A and 6.4.C?	Yes.
A. Tax Credit Experience	6.4.A of the QAP includes language about an 8609 having been issued in either 10 or 7 full calendar years of the Application submission due date to be eligible for points under either A or B. In the instance in which an 8609 was issued by the state agency within the 10 or 7 calendar year timeframe prior to the Application submission due date but signed by the Ownership Entity after the Application submission due date, would a Project still be able to request points under either 6.4.A or 6.4.B?	IFA's intent was for Projects requesting points under this section to have the 8609 to be issued within a clear 10-calendar year timeframe. The First Amended 2026-27 9% QAP now clearly lays out the dates for points under this category.

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<p>B. Developer, General Partner, or Managing Member Performance</p>	<p>If a Developer or GP/MM requested a Carryover-Ten Percent application in calendar year 2025 and is listed as a minority or non-lead role in a 2026 application, does the negative point under 6.4.B.2 still apply to the 2026 application?</p>	<p>This section is specific to the Developer, GP/MM, or affiliates thereof; if a team member is listed elsewhere in a 2026 application as a member of the Qualified Development Team, this section does not apply.</p>
<p>C. Closing Timeframe</p>	<p>Section 6.4.C - Closing Timeframe does not specify if these points are available for Iowa Projects only - are teams able to submit proof from projects meeting this timeframe in other states for points?</p>	<p>Yes; if a Project is submitting an out-of-state Project for points, they will be required by TAC to submit the Award Letter from that state as well as documentation of closing and documentation of the entity in such a role as specified by 6.4.C for point eligibility.</p>
<p>C. Closing Timeframe</p>	<p>Can you clarify 6.4.C's Syndicator/Direct Investor requirements?</p>	<p>There was a typo in the QAP that has since been corrected in the 2026-27 First Amended 9% QAP. It now reads "The Developer or General Partner/Managing Member, or affiliates thereof, of this Project, shall have closed one 9% Tax Credit Project in such role since January 1, 2023 for the 2026 Round or January 1, 2024 for the 2027 Round with their Syndicator/Direct Investor within 10 months of the issuance of the Award Letter." The phrase "in such role" was misplaced.</p>
<p>C. Closing Timeframe</p>	<p>Will an Applicant be penalized if it receives points under 6.4.C in the application but needs to change the syndicator later and closes with another firm?</p>	<p>There would be no penalty in the future other than potentially not being eligible for the points, since points under 6.4.C points are awarded for previous projects. 6.4.C points are not an election for the 2026 Applicant to close within 10 months.</p>
<p>C. Closing Timeframe</p>	<p>For 6.4.C, is the 10-month timeframe date to date or month to month? For example, if the project was awarded on 1/15/2025 and closed</p>	<p>IFA is using date to date for the 10-month timeframe in 6.4.C, so the example project would not be eligible for points.</p>

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	on 11/28/2025, would that be considered eligible for points in this category or not?	
C. Closing Timeframe	For points under 6.4.C, would a 4% project count if it was awarded during a competitive round?	No. As 6.4.C states, “the Developer or General Partner/Managing Member, or affiliates thereof, of this Project, shall have closed one 9% Tax Credit Project in such role since January 1, 2023, for the 2026 Round or January 1, 2024, for the 2027 Round with their Syndicator/Direct Investor within 10 months of the issuance of the Award Letter.”
7.4 – Tiebreakers	If an Iowa developer (who has previously submitted and or been awarded LIHTC) is tied with a new developer (who has not submitted an Iowa project or been awarded LIHTC) does the new developer prevail in the tiebreaker under 7.4.B?	Since new developers are excluded from this category, an existing developer with Iowa tax credit experience would be considered given the criteria listed and a new developer to Iowa would not be considered in the tiebreaker. Therefore, an existing developer would prevail in such a tiebreaker between a developer new to Iowa and a developer with existing LIHTC awards in Iowa.
7.4 – Tiebreakers	If two Projects from the same Developer made it to tiebreaker 7.4.B, would IFA give the Developer the opportunity to choose which Project would be awarded?	No, IFA would not allow a Developer to select the Project they wish to have awarded. In such a situation, IFA would move to 7.4.C. If equal, then IFA would move to 7.4.D. If in the same community, then IFA would move to 7.4.E, Board Discretion.
14.4 – Minimum Development Characteristics – All Projects		
A. General	How does IFA define "high speed internet wiring" under Section 14.4.A.6 - Internet Access?	High speed internet wiring must offer speeds of at least 100/20 Mbps and a latency performance of at no more than 100 milliseconds.

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A. General	Is an on-site leasing office required by the QAP?	A leasing office is a voluntary amenity. It's not a minimum development requirement in the 2026-27 9% QAP, but if it's selected as a project amenity in the application, IFA expects it to be included in the final plans for the project.
B. Exterior Construction	If a project is not electing points under 6.3.M - Exterior Materials, does it still have to meet a minimum percentage of masonry?	If you do not plan on requesting points under 6.3.M - Exterior Materials, then the project will just have to follow the Exterior Siding criteria in Section 14.4.B, which only requires that all other building material/color besides brick or stone may not make up more than 70% of the siding of the building. There is no minimum use of masonry in Part C of the Construction Requirements section.
B. Exterior Construction	Does Section 14.5.B.2, Unit Size, apply to Projects that contain both standard apartment buildings and townhome/rowhouses?	Yes, as 14.5.B.2 states, all Units of the same bedroom size shall not differ in more than 150 net square feet.
C. Interior Construction	Are there any limitations on types of counter tops we are allowed to use on LIHTC projects?	IFA does not currently have limitations written in the QAP for the type of counter tops that can be used in a LIHTC project, but encourages the use of durable products like solid surface counter tops that would increase project longevity.
D. Energy Requirements	What are the requirements for NGBS certification for Projects for the initial application submission?	The only thing IFA needs at the time of the initial application review for the energy requirements is to confirm that the energy consultant is NGBS certified. We do not expect for the project to be registered until after the project is awarded, at the time the initial construction package is being reviewed.
14.5 - Minimum Development	In a new construction project where all units are townhome units and all townhome units	It is IFA's policy that all sections of a Fully Accessible unit should be on an accessible route and usable by persons

<p>Characteristics - New Construction and Adaptive Reuse</p>	<p>are two-story units, would IFA require a wheelchair lift for a unit to be considered fully accessible when the ground floor has a fully accessible kitchen, bedroom, bathroom, and laundry?</p>	<p>with mobility disabilities. A wheelchair lift would be a sufficient solution to provide access to a unit’s second-floor space but IFA’s preference for new construction projects is to design Fully Accessible units without stairs.</p>
<p>I. Accessibility</p>	<p>For a project that will have some units in an apartment building and some two story townhomes, can all the accessible units be in the apartment building? Making a two story townhome unit accessible is not practical. Moving one bedroom downstairs in one townhome could be done, it doesn’t appear to be required by code, but it seems unlikely that someone would choose a unit with an inaccessible second story rather than a ground floor unit in the apartment building.</p>	<p>IFA’s general policy for LIHTC is to discourage placing accessible units in 2-story townhomes for similar reasons you mentioned. It also limits the use of space and can be a safety issue for disabled tenants that have children living on the second floor. Yes, technically code allows for a 2-story townhome to be accessible if the first floor has an accessible bathroom, kitchen, and bedroom but we want to see the fully accessible units to have all rooms and amenities on one floor.</p> <p>That being said, IFA does uphold the language in Section 504 of the Rehabilitation Act that says accessible units must be to the maximum extent feasible, distributed throughout the project and must be available in sufficient range of sizes and amenities to not limit choice. So IFA would want to see at least a small portion of the dedicated accessible units in the townhome buildings even if the majority of the accessible units will be located in the apartments as to not limit options for disabled tenants.</p> <p>From a design standpoint, depending on the size of the project, placing at least one 1-story, 1-bedroom accessible unit in amongst the 2-story townhomes could be a possible solution, while including other bedroom types in the design of the apartments.</p>