**RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION**

**LOW-INCOME HOUSING TAX CREDIT**

**OWNER’S FINAL COST CERTIFICATION**

The information and certification requested below are used for purposes of establishing that the tax credit requested for allocation does not exceed the amount necessary to assure project feasibility, as required by Section 42 of the Internal Revenue Code of 1986, as amended. This document must be completed prior to Agency issuance of an IRS Form 8609 (the final allocation document.) Final allocation amounts may be reduced based on the information provided, to comply with the IRS Code requirements.

To comply with the certifications, please attach a full and detailed listing of all known or projected permanent (as opposed to construction period) sources of funds, total development costs (detailed by line item) and those development costs that constitute the eligible basis for the tax credit allocation (also by line item.) If multiple buildings and/or different tax credit types are needed, the eligible basis for each building for each credit type must be separately detailed.

**\*\*\* Both the Owner and CPA must initial the top of each page, including all exhibits and attachments \*\*\***

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Project  Name: |  | | Number of Buildings: | New Construction | | Acquisition Rehabilitation |
|  | |  |
| Project  Owner: |  | | | | | |
| Owner’s Address: |  | | TIN #: |  | | |
| Do you have a signed Lock-in Agreement? | | | **YES  NO** | | | |
| If YES, please provide Applicable Credit Percentage and  Date (month and year) according to the Lock-In Agreement: | | | % Rate: | **%** | | |
| Date: | **/20** (Mth/Year) | | |
| Percentage of the Aggregate Basis financed by Tax-Exempt Bonds  (Must be greater than 50%): | | | **%** | | | |
| High Cost Area Adjustment? (up to 1.3%) | | | **YES**  **NO** | | **%** | |
| Minimum Applicable Fraction: | | **40%  60%  80%  Other:** | | | | |
| Minimum  Set-Aside: | | **At least 20% or more of the residential units (or floor space fraction, as applicable) in the Project**  **are and will be both Rent-Restricted and occupied by the individuals whose income is 50% or less**  **of area median income.**  **At least 40% of the residential units (or floor space fraction, as applicable) in the Project are and**  **will be both Rent-Restricted and occupied by the individuals whose income is 60% or less of area**  **median income.**  **“Income Averaging” – allows for the acceptance of households with incomes of up to 80% of area**  **median income as long as the average unit income designations in the project DOES NOT exceed**  **60% of the area median income.** | | | | |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Allocation Type Chart -** \* Assign the allocation type for each building (Chart must be fully completed) | | | | | | | | | | | |
| a. | Newly constructed and federally subsidized | | | | | b. | Newly constructed and not federally subsidized | | | | |
| c. | Existing building | | | | | d. | Section 42(e) rehabilitation expenditures federally subsidized | | | | |
| e. | Section 42(e) rehabilitation expenditures not federally subsidized | | | | | | | | | | |
| BIN | | \*Allocation Type | | Placed in Service Date | | | | Applicable % | | Credit Amount | |
| Acquisition | Rehab/  New Const | Acquisition | Rehab/  New Const | | | Acquisition | Rehab/  New Const | Acquisition | Rehab/  New Const |
|  | |  |  |  |  | | | % | % | $ | $ |
|  | |  |  |  |  | | | % | % | $ | $ |
|  | |  |  |  |  | | | % | % | $ | $ |
|  | |  |  |  |  | | | % | % | $ | $ |
|  | |  |  |  |  | | | % | % | $ | $ |
|  | |  |  |  |  | | | % | % | $ | $ |
|  | |  |  |  |  | | | % | % | $ | $ |
|  | |  |  |  |  | | | % | % | $ | $ |
|  | |  |  |  |  | | | % | % | $ | $ |
|  | |  |  |  |  | | | % | % | $ | $ |

**†** If additional space is needed, please use Exhibit A excel spreadsheet

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Unit Distribution Chart -** Building and B.I.N. Numbers (Chart must be fully completed) | | | | | | | | |
| BIN | Street Address  (include zip code) | If Boost, Census Tract # | Unit  No. | Sq. Ft. | # BRs | Affordable (Y/N) | Market Rate (Y/N) | Rent |
|  |  |  |  |  |  |  |  | $ |
|  |  |  |  |  |  |  |  | $ |
|  |  |  |  |  |  |  |  | $ |
|  |  |  |  |  |  |  |  | $ |
|  |  |  |  |  |  |  |  | $ |
|  |  |  |  |  |  |  |  | $ |
|  |  |  |  |  |  |  |  | $ |
|  |  |  |  |  |  |  |  | $ |
|  |  |  |  |  |  |  |  | $ |
|  |  |  |  |  |  |  |  | $ |

**†** If additional space is needed, please use Exhibit B excel spreadsheet

**Owner Certification**

I, , authorized agent for , Owner, hereby certify, under the pains and penalties of perjury, that the attached development costs constitute the Section 42 (LIHTC) eligible basis, incurred in **20** to **20** for the residential portion of the building(s) identified above. These expenditures, using the appropriate applicable fraction (for each building) and credit type shown above, justify the requested annual allocation of **$** of Rhode Island’s **20** tax credit authority.

I also certify, under the pains and penalties of perjury, that the attached sources of funds (which must equal the total development costs, including non-depreciable and non-eligible costs) is accurate, and that the full extent of all Federal, State and local subsidies to the development have been disclosed to Rhode Island Housing and Mortgage Finance Corporation in the LIHTC application of other material attached to this certification.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_      , a

Date: Rhode Island limited partnership

By:      ,

its General Partner

By:

Name:

Title:

**CPA Certification**

I, , Certified Public Accountant for the owner,  hereby certify that the attached development costs, detailing eligible basis and applicable fraction by building, constitute the Section 42 (LIHTC) qualified basis, incurred in **20** to **20** for the residential portion of the building(s) identified above. These basis numbers, using the credit type shown above, justify the requested annual allocation of **$** of Rhode Island’s **20** tax credit authority.

Name of CPA

Company or Firm

CPA Signature

Date

**\*\*\* Both the Owner and CPA must initial the top of each page, including all exhibits and attachments \*\*\***

Building Identification Number:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Itemized Costs | Total  Development  Costs | Cost  For  Building | Eligible Basis by Credit Type\* | |
| Acquisition  Credit | Rehab/Const.  Credit |
| **ACQUISITION & CONSTRUCTION** | | | | |
| Land |  |  |  |  |
| Purchase of Building(s) |  |  |  |  |
| Demolition |  |  |  |  |
| Rehabilitation |  |  |  |  |
| New Building(s) |  |  |  |  |
| Accessory Building(s) |  |  |  |  |
| Sitework |  |  |  |  |
| Off-site Improvements and Fees |  |  |  |  |
| General Requirements |  |  |  |  |
| Contractor Overhead |  |  |  |  |
| Contractor Profit |  |  |  |  |
| Construction Contingency |  |  |  |  |
| Construction Bond Fee |  |  |  |  |
| SUBTOTAL |  |  |  |  |
| **PROFESSIONAL SERVICES** | | | | |
| Architectural/Engineering |  |  |  |  |
| Attorney/Accountant |  |  |  |  |
| Legal/Title & Recording |  |  |  |  |
| Other |  |  |  |  |
| SUBTOTAL |  |  |  |  |
| **INTERIM COSTS** | | | | |
| Construction Interest |  |  |  |  |
| Construction Insurance |  |  |  |  |
| Construction Loan Orig. Fee |  |  |  |  |
| Taxes During Construction |  |  |  |  |
| SUBTOTAL |  |  |  |  |
| **OTHER SOFT COSTS** | | | | |
| Property Appraisal |  |  |  |  |
| Market Study |  |  |  |  |
| Environmental Report |  |  |  |  |
| Permits/Fees |  |  |  |  |
| Tax Credit Fees |  |  |  |  |
| Marketing |  |  |  |  |
| Other |  |  |  |  |
| SUBTOTAL |  |  |  |  |
| Page Subtotal |  |  |  |  |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Itemized Costs | Total  Development  Costs | Cost  For  Building | | Eligible Basis by Credit Type\* | | |
| Acquisition  Credit | | Rehab/Const.  Credit |
| **FINANCING FEES & EXP.** | | | | | | |
| Credit Report |  |  | |  | |  |
| Permanent Loan Origination Fee |  |  | |  | |  |
| Credit Enhancement |  |  | |  | |  |
| Cost of Issuance |  |  | |  | |  |
| Lender’s Counsel’s Fee |  |  | |  | |  |
| Other |  |  | |  | |  |
| SUBTOTAL |  |  | |  | |  |
| **SYNDICATION COSTS** | | | | | | |
| Organizational (Partnership) |  |  | |  | |  |
| Bridge Loan Fees & Expenses |  |  | |  | |  |
| Tax Opinion |  |  | |  | |  |
| SUBTOTAL |  |  | |  | |  |
| **DEVELOPER’S FEES** | | | | | | |
| Developer’s Fee |  |  | |  | |  |
| Consultant Fees |  |  | |  | |  |
| SUBTOTAL |  |  | |  | |  |
| **PROJECT RESERVES** | | | | | | |
| Rent-up Reserve |  |  | |  | |  |
| Replacement Reserve |  |  | |  | |  |
| Working Capital/Latent Defects |  |  | |  | |  |
| Operating Reserve/Sinking Fund |  |  | |  | |  |
| Other |  |  | |  | |  |
| SUBTOTAL |  |  | |  | |  |
| SUBTOTAL THIS PAGE |  |  | |  | |  |
| SUBTOTAL PREVIOUS PAGE |  |  | |  | |  |
| **TOTAL DEVELOPMENT COST** |  |  | |  | |  |
| Less: Amount of non-qualified financing | | |  | |  | |
| Historic Tax Credit (residential portion only) | | |  | |  | |
| **TOTAL ELIGIBLE BASIS** | | |  | |  | |
| Adjusted Eligible Basis for Difficult Development Area or Qualified Census Tracts ( x up to 1.3) | | |  | |  | |
| Applicable Fraction | | | **%** | | **%** | |
| Multiplied by Applicable Fraction | | |  | |  | |
| **TOTAL QUALIFIED BASIS** | | |  | |  | |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Itemized Costs | Total  Development  Costs | Costs  for  Building | Eligible Basis by Credit Type | |
| Acquisition  Credit | Rehab/Const.  Credit |
| Multiply by the Applicable Percentage | | | **%** | **%** |
| TOTAL AMOUNT OF TAX CREDIT REQUESTED | | | $ | $ |
| If you qualify for more credits than are allocated then you are required to prorate the tax credit amount for Form 8609 line 1a (if there are multiple years of credits, prorate for each year) | | |  |  |
| If you qualified for more credits than were allocated then you will have to prorate the qualified basis for Form 8609 line 3a (if there are multiple years of credits, prorate the qualified basis for each year. | | |  |  |
| **If Tax Exempt Bond Financing, please insert the percentage of the aggregate basis financed by tax-exempt bonds (must be greater than 50%).** | | | **%** | |

* Acquisition always receives the “4%” credit. New Construction/rehabilitation may receive the “4%” or the “9%” credit, depending on the sources of financing. Actual percentages are published monthly by the IRS. Call Rhode Island Housing and Mortgage Finance Corporation for current percentages.
* If rate was “locked-in”, please use the applicable percentage rate established by the taxpayer at the time of the lock-in.

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