

**SWORN APPLICANT STATEMENT
APPLICATION FOR ALLOCATION OF BONDING AUTHORITY
FOR RESIDENTIAL RENTAL PROJECTS**

THE UNDERSIGNED is the mayor or chief administrator of the _____, State of Minnesota (the "Applicant") and hereby makes the following statements in support of its Application for Allocation of Bonding Authority for Residential Rental Projects, dated _____:

1. The Applicant is requesting allocation under Minnesota Statutes, Chapter 474A, Minnesota Bond Allocation Act, for a residential rental project to be known as _____ (the "Project") being undertaken by _____ (the "Developer").
2. The project is, or will be, located at _____
_____ [provide street address or, if none yet, reference to boundary streets].
3. The project meets or will meet all of the criteria specified in the applicable provisions of Minnesota Statutes, Section 474A.02, including but not limited to subdivisions 1a, 1b, 21a and 30 to 33,* and thereby qualifies for designation as a:

<input type="checkbox"/> Preservation project	<input type="checkbox"/> 100 percent LIHTC project
<input type="checkbox"/> 30 percent AMI residential rental project	<input type="checkbox"/> 20 percent LIHTC project
<input type="checkbox"/> 50 percent AMI residential rental project	<input type="checkbox"/> Other residential rental project

*See page 2 of this Sworn Applicant Statement for the definition of each type of project.

4. The reasonably expected aggregate basis of the project and the land on which the project is or will be located is \$_____. Therefore, the aggregate bond limitation for the project, representing 55 percent of the reasonably expected aggregate basis, is \$_____. (Alternatively, the Applicant may attach a sworn certification from its certified public accountant attesting to the reasonably expected aggregate basis.)

I hereby declare that the information contained in this Sworn Statement is true and correct.

_____, a political subdivision of the State
of Minnesota

By: _____
Title: _____
Dated: _____

STATE OF MINNESOTA)
) ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, _____, by _____, the _____, of _____, a political subdivision of the State of Minnesota.

Notary Public

Definition of Project Types

Preservation project. "Preservation project" means any residential rental project, regardless of whether or not the project is restricted to persons of a certain age or older, that is expected to generate low-income housing tax credits under section 42 of the Internal Revenue Code of 1986, as amended, and (1) receives federal project-based rental assistance, or (2) is funded through a loan from or guaranteed by the United States Department of Agriculture's Rural Development Program. In addition, to qualify as a preservation project, the amount of bonds requested in the application must not exceed the aggregate bond limitation.

30 percent AMI residential rental project. "30 percent AMI residential rental project" means a residential rental project that does not otherwise qualify as a preservation project, is expected to generate low-income housing tax credits under section 42 of the Internal Revenue Code of 1986, as amended, from 100 percent of its residential units, and in which:

- (1) all the residential units of the project:
 - (i) are reserved for tenants whose income, on average, is 30 percent of AMI or less;
 - (ii) are rent-restricted in accordance with section 42(g)(2) of the Internal Revenue Code of 1986, as amended; and
 - (iii) are subject to rent and income restrictions for a period of not less than 30 years; or

(2)(i) is located outside of the metropolitan area as defined in section 473.121, subdivision 2, and within a county or metropolitan area that has a current median area gross income that is less than the statewide area median income for Minnesota;

(ii) all of the units of the project are rent-restricted in accordance with section 42(g)(2) of the Internal Revenue Code of 1986, as amended; and

(iii) all of the units of the project are subject to the applicable rent and income restrictions for a period of not less than 30 years.

In addition, to qualify as a 30 percent AMI residential project, the amount of bonds requested in the application must not exceed the aggregate bond limitation.

For purposes of this definition, "on average" means the average of the applicable income limitation level for a project determined on a unit-by-unit basis for example, a project with one-half of its units subject to income limitations of not greater than 20 percent AMI and one-half subject to income limitations of not greater than 40 percent AMI would be subject to an income limitation on average of not greater than 30 percent AMI.

50 percent AMI residential rental project. "50 percent AMI residential rental project" means a residential rental project that does not qualify as a preservation project or 30 percent AMI residential rental project, is expected to generate low-income housing tax credits under section 42 of the Internal Revenue Code of 1986, as amended, from 100 percent of its residential units, and in which all the residential units of the project:

- (1) are reserved for tenants whose income, on average, is 50 percent of AMI or less;
- (2) are rent-restricted in accordance with section 42(g)(2) of the Internal Revenue Code of 1986, as amended; and
- (3) are subject to rent and income restrictions for a period of not less than 30 years.

In addition, to qualify as a 50 percent AMI residential rental project, the amount of bonds requested in the application must not exceed the aggregate bond limitation.

For purposes of this definition, "on average" means the average of the applicable income limitation level for a project determined on a unit-by-unit basis for example, a project with one-half of its units subject to income limitations of not greater than 40 percent AMI and one-half subject to income limitations of not greater than 60 percent AMI would be subject to an income limitation on average of not greater than 50 percent AMI.

100 percent LIHTC project. "100 percent LIHTC project" means a residential rental project that is expected to generate low-income housing tax credits under section 42 of the Internal Revenue Code of 1986, as amended, from 100 percent of its residential units and does not otherwise qualify as a preservation project, 30 percent AMI residential rental project, or 50 percent AMI residential rental project. In addition, to qualify as a 100 percent LIHTC project, the amount of bonds requested in the application must not exceed the aggregate bond limitation.

20 percent LIHTC project. "20 percent LIHTC project" means a residential rental project that is expected to generate low-income housing tax credits under section 42 of the Internal Revenue Code of 1986, as amended, from at least 20 percent of its residential units and does not otherwise qualify as a preservation project, 30 percent AMI residential rental project, 50 percent AMI residential rental project, or 100 percent LIHTC project. In addition, to qualify as a 20 percent LIHTC project, the amount of bonds requested in the application must not exceed the aggregate bond limitation.

Additional Definitions:

Aggregate bond limitation. "Aggregate bond limitation" means up to 55 percent of the reasonably expected aggregate basis of a residential rental project and the land on which the project is or will be located.

AMI. "AMI" means the area median income for the applicable county or metropolitan area as published by the Department of Housing and Urban Development, as adjusted for household size.