NOTICE

TO: Prospective Low-Income Housing Tax Credit Applicants
    Prospective Multifamily Tax-Exempt Bond Authority Applicants

FROM: Multifamily Programs Division

SUBJECT: Appraisal Guidance

DATE: March 16, 2018

This notice provides guidance with regard to appraisal requirements as described in Part VII-A-10-a of the Low-Income Housing Tax Credit 2018 Qualified Allocation Plan (the “2018 QAP”) and Part VI-C of the 2018 Multifamily Tax-Exempt Bond Authority Program Description (the “2018 PD”). This guidance applies to applications for Multifamily Tax-Exempt Bond Authority and applications for noncompetitive Low-Income Housing Tax Credits. This guidance does not apply to applications for competitive Low-Income Housing Tax Credits.

For purposes of calculating the amount of Multifamily Tax-Exempt Bond Authority or noncompetitive Low-Income Housing Tax Credit, the maximum value used by THDA for existing structures encumbered by tenant income and/or rent restrictions shall be the lesser of:

A. The consideration value as reflected in documentation evidencing property control; or
B. The “as-is rent restricted” value.

For purposes of calculating the “as-is rent restricted” value, THDA may permit the inclusion of the value of subsidies such as, without limitation, Section 515 Rural Rental Housing interest rate subsidy. Inclusion of the value of subsidies shall be determined by THDA, in its sole discretion.

If you have questions regarding this notice, please contact Felita Hamilton at FHamilton@thda.org or 615-815-2145.