This package includes:

Program Summary
Program Description
Exhibits
THDA has authorized the allocation of Multifamily Tax-Exempt Bond Authority to local issuers for multifamily developments:

$150 million in Multifamily Tax-Exempt Bond Authority for developments which will close financing by the date specified in the Commitment Letter. $50,000,000 will be available in East Tennessee, $50,000,000 will be available for Middle Tennessee, and $50,000,000 for West Tennessee. Any unused, recaptured or released amounts after April 1, 2012 will be available first to any remaining eligible applications from that same Grand Division. If there are no remaining eligible applications from that same Grand Division, then the Multifamily Tax-Exempt Bond Authority will be available to the next highest ranking application regardless of Grand Divisions until the end of the application submission period as defined in Part IV.

Bonds must be issued by a local board or other issuing entity with jurisdiction in the area of the proposed development.

Some units must be occupied low-income households: twenty percent (20%) of the units must be occupied by households with incomes no greater than fifty percent (50%) of area median income, or forty percent (40%) of the units must be occupied by households with incomes no greater than sixty percent (60%) of area median income. Seventy-five percent (75%) of the units must be occupied by households with incomes no greater than one hundred and fifteen percent (115%) of the area median income.

For developments involving new construction, THDA will allocate a maximum of fifteen million dollars ($15,000,000) in Multifamily Tax-Exempt Bond Authority per development.

For developments involving conversion and/or acquisition, THDA will allocate a maximum of seventeen million two hundred and fifty thousand dollars ($17,250,000) in Multifamily Tax-Exempt Bond Authority per development.

The application submission period extends until the earlier of (i) the date upon which all Multifamily Tax-Exempt Bond Authority made available hereunder is fully committed or (ii) the first date applications will be accepted under a Multifamily Tax-Exempt Bond Authority Program Description as may be adopted by THDA for 2012.

Multifamily Tax-Exempt Bond Authority will be allocated only to eligible applications on a first come, first served basis. If THDA receives multiple applications on the same day that, in the aggregate, request more Multifamily Tax-Exempt Bond Authority than is available, those applications will be ranked according to Part VI-F.

Applicants must meet THDA and federal tax requirements and all other applicable federal, State, and local laws or ordinances.

A non-refundable $1,500 application fee is required with each application. If a Commitment Letter is issued, the applicant must submit a commitment fee of one percent (1%) of the amount of Multifamily Tax-Exempt Bond Authority allocated and separate incentive fee equal to twenty percent (20%) of the commitment fee. Subject to the requirements of the Program Description, part of these fees may be returned.

This is only a brief description of some elements of the program. For a complete Program Description, contact Judith Smith at (615) 815-2143.
Part I: Background, Eligibility, and Requirements

The Tennessee Housing Development Agency (THDA) is making Multifamily Tax-Exempt Bond Authority available to local issuers for financing for multifamily housing units in Tennessee. Part of this Multifamily Tax-Exempt Bond Authority is available in each of the three Grand Divisions of the State. The Multifamily Tax-Exempt Bond Authority can be used only to provide financing for new construction of affordable rental housing units, for conversion of existing properties through adaptive reuse, or for acquisition and rehabilitation of rental units, subject to the conditions and requirements described below, and subject to Internal Revenue Service requirements.

A. Use of Multifamily Tax-Exempt Bond Authority:
   1. Any Multifamily Tax-Exempt Bond Authority allocated pursuant to this Program Description must be used to provide financing for the development such that, as of the rehabilitation or new construction placed in service date, a minimum of fifty percent (50%) of the amount of Tax-Exempt Bond Authority closed and sold remains outstanding and such amount of bonds outstanding otherwise meets the requirements of Section 42(h)(4).
   2. Applicants for and Recipients (as defined in Part II-D) of Multifamily Tax-Exempt Bond Authority must issue bonds no later than 1:00 PM Central Time on the date specified in the Commitment Letter.
   3. To the extent not otherwise specified herein, all federal tax requirements for private activity bonds must be met.

B. Eligible Developments:
   1. The development must be:
      a. New construction;
      b. A conversion of an existing property not being used for housing; or
      c. Acquisition and rehabilitation.
   2. To the extent not otherwise required, the development must have hardwired smoke detectors, with battery backup, in the bedroom areas of all units.
   3. One hundred percent (100%) of the units in buildings with elevators in the development and all ground floor units in non-elevator buildings in the development are “covered multifamily dwellings” (as defined in the Fair Housing Act). All covered multifamily dwellings must meet all accessible design requirements under the Fair Housing Act and must otherwise be designed and built in accordance with the Fair Housing Act (including one of the eight safe
harbors recognized by HUD as shown on Exhibit 5) and all other areas in the
development open to the public are “public accommodations” as defined in the
Americans with Disabilities Act and must be designed and built in accordance
with the Americans With Disabilities Act. Certification from the design architect
will be required following the issuance of the Commitment Letter. Confirmation
from the supervising architect will be required prior to any partial refund of the
Commitment Fee pursuant to Part X-D.

C. Ineligible Developments

1. Developments involving entities or individuals previously involved in a
development that, at any time within a period of one year prior to the
submission of the application for 2012 Multifamily Tax-Exempt Bond Authority,
failed to submit any documentation required in Part X-D.

2. Developments involving entities or individuals previously
determined, in THDA’s
sole discretion, to be or have been involved in any Multifamily Tax-Exempt
Bond Authority Application that received an allocation of Multifamily Tax-
Exempt Bond Authority but (a) failed to meet established deadline for issuance
and sale of the tax-exempt bonds; or (b) failed to place the development in
service; or (c) failed to meet other requirements of this Program Description.

3. Voluntary withdrawal of a Multifamily Tax Exempt Bond Authority Application in
accordance with all applicable program requirements will not cause ineligibility.

D. Identity of Interests

If a development involves acquisition of land or buildings, there can be no more
than a fifty percent (50%) identity of interest between buyer and seller.

E. Tenants to be Served

1. Seventy five percent (75%) of the units in the development must be occupied by
households with incomes no greater than one hundred fifteen percent (115%) of
the area median income and

2. a. Twenty percent (20%) of the units in the development must be occupied
by households with incomes no greater than fifty percent (50%) of the
area median income; or

   b. Forty percent (40%) of the units in the development must be occupied by
households with incomes no greater than sixty percent (60%) of the area
median income.

F. Maximum Amount of Bonds per Development

1. A development involving new construction may not receive more than fifteen
million dollars ($15,000,000) of Multifamily Tax-Exempt Bond Authority.

2. A development involving conversion and/or acquisition and rehabilitation may
not receive more than seventeen million two hundred and fifty thousand dollars
($17,250,000) of Multifamily Tax-Exempt Bond Authority.

   a. Substantial Rehabilitation: maximum $17,250,000
1. Developments involving substantial rehabilitation must be rehabilitated so that, upon completion of all rehabilitation as described in the Physical Needs Assessment, the major building systems will not require further substantial rehabilitation for a period of at least fifteen (15) years from the required placed in service date. Major building components are roof structures, wall structures, floor structures, foundations, plumbing systems, central heating and air conditioning systems, electrical systems, doors and windows, parking lots, elevators, and fire/safety systems. Rehabilitation hard costs must be no less than the greater of thirty percent (30%) of building acquisition costs or twelve thousand dollars ($12,000) per unit. Certification from the design architect will be required following the issuance of the Commitment Letter. Confirmation from the supervising architect will be required prior to any partial refund of the Commitment Fee pursuant to Part X-D.

b. Moderate Rehabilitation: maximum $9,500,000

1. Developments involving moderate rehabilitation must be rehabilitated so that, upon completion of all rehabilitation, rehabilitation hard costs must be no less than the greater of twenty-five percent (25%) of building acquisition cost or eight thousand dollars ($8,000) per unit. The rehabilitation scope of work must include, at a minimum, all appliances in all units being Energy-Star compliant, and all work specified in the Physical Needs Assessment with regard to drywall, carpet, tile, interior and exterior paint, the electrical system, heating and air conditioning systems, roof, windows, interior and exterior doors, stairwells, handrails, and mailboxes. Certification from the design architect will be required following the issuance of the Commitment Letter. Confirmation from the supervising architect will be required prior to any partial refund of the Commitment Fee pursuant to Part X-D.

c. Limited Rehabilitation: maximum 7,500,000

1. Developments involving limited rehabilitation must be rehabilitated so that, upon completion of all rehabilitation, rehabilitation hard costs must be no less than the greater of twenty percent (20%) of building acquisition cost or six thousand dollars ($6,000) per unit. The rehabilitation scope of work must include, at a minimum, all work specified in the Physical Needs Assessment with regard to interior and exterior common areas, interior and exterior painting and/or power washing, gutters, parking areas, sidewalks, fencing, landscaping, and mailboxes. Certification from the design architect will be required following the issuance of the Commitment Letter. Confirmation from the supervising architect will be required prior to any partial refund of the Commitment Fee pursuant to Part X-D.

d. All rehabilitation expenditures must satisfy the requirements of Section 42(e)(3)(A)(ii) of the Code.
G. Maximum Amount of Multifamily Tax-Exempt Bond Authority per Developer or Related Parties

The maximum amount of Multifamily Tax-Exempt Bond Authority that may be committed to a single applicant, developer, owner, or related parties shall not exceed thirty million dollars ($30,000,000). If 2010 Multifamily Tax-Exempt Bond Authority was exchanged for 2012 Multifamily Tax-Exempt Bond Authority pursuant to Part IX-C of the 2010 Multifamily Tax-Exempt Bond Authority Program Description, any amount of 2012 Multifamily Tax-Exempt Bond Authority shall count against the maximum amount of Multifamily Tax-Exempt Bond Authority that may be committed to a single applicant, developer, owner, or related parties pursuant to this Part I-G. THDA reserves the right, in its sole discretion, to determine whether related parties are involved for the purpose of applying this limitation.

H. Limit on Developer’s Fee

1. The developer and consultant fees cannot exceed fifteen percent (15%) on the portion of the basis attributable to acquisition (before the addition of the fees), and cannot exceed fifteen percent (15%) of the portion of the basis attributable to new construction or to rehabilitation (before the addition of the fees).

2. If the developer and contractor are related parties, then the combined fees for contractor’s profit, overhead, and general requirements plus the developer’s and consultant’s fees, cannot exceed fifteen percent (15%) of the portion of the basis attributable to acquisition (before the addition of the fees), and cannot exceed twenty-five percent (25%) of the portion of the basis attributable to new construction or to rehabilitation (before the addition of the fees).

I. Limits on Costs of Issuance

As provided in Section 147 (g), the costs of issuance financed by the proceeds of private activity bonds issued to finance multifamily housing may not exceed two percent (2%) of the proceeds of the issue.

J. Market Study Required

1. A market study, performed by an independent third party selected from Exhibit 4 and prepared in accordance with the requirements of Exhibit 1 (the "Market Study"), must be submitted with the application for all proposed developments. The Market Study, in a form and with content acceptable to THDA in its sole discretion, must support the need and demand for the proposed development.

2. The Market Study will be used to determine points for the scoring items in Part VII-A-1 of this Program Description.

3. The Market Study must be less than six months old at the time of submission in order to be acceptable.

4. Based on the information and analysis presented in the Market Study, and based on other information available to THDA, THDA may determine, in its sole discretion, that market demand is not sufficient to support the proposed development.

5. The determinations of the market analyst as reflected in the market study are determinative as to eligibility and points.
K. Appraisal Required
The application must include an appraisal of the proposed development performed in accordance with industry standards, by an appraiser licensed in Tennessee. The appraisal cannot be based solely or largely on a “cost” approach to value, but must also consider market and income approaches to value. The appraisal must include an assessment of the value of any noncompetitive Low-Income Housing Tax Credit. If the application is proposing acquisition of an existing structure, an “as is” appraisal must also be included regardless of whether noncompetitive Low-Income Housing Tax Credit for acquisition is sought.

L. Physical Needs Assessment Required
For applications proposing rehabilitation, the application must include a Physical Needs Assessment conducted by an independent third party. The Physical Needs Assessment must be in a form and with content acceptable to THDA in its sole discretion, and must include a complete and detailed work plan showing all necessary and contemplated improvements to be completed prior to the rehabilitation placed in service date, the projected cost, and confirmation that the work plan addresses all applicable requirements of Part I-F-2 of this Program Description. Physical Needs Assessments must be less than six months old at the time of submission in order to be acceptable.

M. Minimum Score Required
The application must receive at least 78 points under Part VII.

N. Land Use Restrictive Covenant Required
THDA will provide a Land Use Restrictive Covenant with a term of fifteen (15) years for developments using Multifamily Tax-Exempt Bond Authority without noncompetitive Low-Income Housing Tax Credit. THDA will provide a Land Use Restrictive Covenant for developments using Multifamily Tax-Exempt Bond Authority and noncompetitive Low-Income Housing Tax Credit based on the terms of and elections under the 2012 Qualified Allocation Plan. The Land Use Restrictive Covenant must be executed, recorded in the county where the development is located, and the original returned to THDA no later than the date specified in the Commitment Letter.

O. Building Codes Compliance Required
The development must meet all applicable local building codes or in the absence of such codes, the development must meet the following, as applicable: new construction of multi-family apartments of 3 or more units must meet the 2009 International Building Code; new construction or reconstruction of single-family units or duplexes must meet the 2009 International Residential Code for One- and Two-Family Dwellings; and rehabilitation of rental units must meet the 2009 International Existing Building Code and the 2009 International Property Maintenance Code. Certification from the design architect will be required following the issuance of the Commitment Letter. Confirmation from the supervising architect will be required prior to any partial refund of the Commitment Fee pursuant to Part X-D.
P. Program Requirements and IRS Requirements
   All program description requirements, application requirements, and IRS requirements must be met. If there is any inconsistency or conflict among the requirements, the most stringent of the requirements will apply, as determined by THDA.

Part II: Multifamily Tax-Exempt Authority Available
A. One hundred and fifty million dollars ($150,000,000) of Multifamily Tax-Exempt Bond Authority is available during the application submission period described in Part IV.

B. A total of fifty million dollars ($50,000,000) of Multifamily Tax-Exempt Bond Authority will be available initially in each of the three Grand Divisions (East, Middle, and West), then subsequently as provided in Part VI.

C. An amount of 2013 Multifamily Tax-Exempt Bond Authority equal to the amount of 2012 Multifamily Tax-Exempt Bond Authority, if any, that remains uncommitted as of December 31, 2012 will be available, subject to this program description and subject to an allocation of 2013 tax-exempt bond authority to THDA.

D. Recipients are eligible for commitments for Multifamily Tax-Exempt Bond Authority, provided that they meet all of the other requirements of this Program Description.

Part III: Receipt of Applications
The applicant must submit an original application and ONE COPY with content, formatting, and pagination identical to the attached application. Only complete applications will be accepted and they will be accepted only at the Tennessee Housing Development Agency, 404 James Robertson Parkway, Suite 1200, Nashville, Tennessee, 37243-0900. (applications by express delivery services should be sent to the same address, but at Zip Code 37219-1598). Applications submitted prior to the beginning of the application period indicated in Part IV will be reviewed following the beginning of the application period as indicated in Part V. No application or parts of applications will be accepted at any other location and no application or parts of applications will be accepted via facsimile transmission. All documents submitted to THDA must bear original signatures.

Part IV: Application Submission Period
No application will be accepted after 1:00 PM Central Time on the earlier of (i) the date upon which the amount of Multifamily Tax-Exempt Bond Authority made available hereunder is fully committed pursuant to Commitment Letters issued under Part IX of this Program Description or (ii) the day prior to the first date applications will be accepted under a Multifamily Tax-Exempt Bond Authority Program Description as may be adopted by THDA for 2013 (the “2013 Effective Date”). Applications resubmitted under Part VIII-B will be treated as new applications. No applications submitted under this program description will have priority or be considered under any Multifamily Tax-Exempt Bond Authority Program Description THDA may develop for 2013. New applications must be submitted for allocations of 2013 Multifamily Tax-Exempt Bond Authority.
Part V: Review of Applications for Completeness

A. Applications must be complete.

An application must be complete, as determined by THDA in its sole discretion, based on the requirements in this Program Description and the attached application. Incomplete applications will be returned to the applicant. THDA may request additional documentation and/or information for purposes of clarification. An applicant may request a determination from THDA’s Executive Director or Deputy Executive Director regarding the reasonableness of such a request.

B. Information must be current.

1. Appraisal and market information older than six months, as determined by the date prepared and information contained therein will not be considered current or complete. Supplemental documentation, including any commitments, should not have expired if they contain an expiration date, or the application will not be considered complete. Documents indicating approval dates that have passed will not meet application requirements. Applications with such documents will be considered incomplete.

2. A resolution authorizing the issuance of bonds passed by the relevant issuing entity must be current and valid at the time of application. The applicant should coordinate any updates that may be required for the resolution to remain in effect. Information submitted that is not current will not be accepted by THDA and will cause the application to be deemed incomplete. Any information or documentation, which is not current or complete, will impair an applicant's chances of receiving Multifamily Tax-Exempt Bond Authority.

C. Responsibility for Complete and Current Information

It is the sole responsibility of the applicant to submit a complete application with complete and current information.

D. Multiple Applications for a Single Development

1. Multiple applications submitted as separate phases of one development will be considered as one development and reviewed as one application. THDA reserves the right to request additional information or documentation, if necessary, to determine if applications submitted will be considered and reviewed as one or more developments.

2. Only one application may be submitted and be considered for a development. THDA reserves the right to request additional information or documentation to
determine if applications submitted will be considered and reviewed as one or more developments.

3. A single application may be submitted for up to four developments provided that each of the following conditions applies to each development:
   a. located in a rural county as defined in Exhibit 3;
   b. no more than 48 total units; and
   c. if developments are not all located within the same county, all counties in which the developments are located must be contiguous and within the same Grand Division.

   An application submitted under this Part V-D-3 will be treated as an application for a single development for purposes of applying the limits in Part I-F of this Program Description.

**Part VI: Scoring Process and Allocation Per Grand Division**

A. All applications will be scored according to the criteria described below. An application must receive at least 78 points to be eligible to receive Multifamily Tax-Exempt Bond Authority.

B. Multifamily Tax-Exempt Bond Authority will be allocated on a first come, first served basis to eligible applicants by Grand Division until the total amount of Multifamily Tax-Exempt Bond Authority available in each Grand Division is allocated. If THDA receives multiple eligible applications on the same day that, in the aggregate, request more Multifamily Tax-Exempt Bond Authority than is available, those applications will be ranked according to Part VI-F. The process of allocating Multifamily Tax-Exempt Bond Authority within Grand Divisions will end with the last complete eligible application that can be allocated in any Grand Division.

C. If there is any Multifamily Tax-Exempt Bond Authority remaining in any Grand Division, or if any additional Multifamily Tax-Exempt Bond Authority is recaptured or released, any such amounts shall remain available first to qualified applicants in that same Grand Division until April 1, 2012. THDA will issue a commitment of Multifamily Tax-Exempt Bond Authority to each eligible application in each Grand Division until the final amount of available Multifamily Tax-Exempt Bond Authority is exhausted.

D. Following April 1, 2012, any remaining Multifamily Tax-Exempt Bond Authority will be available statewide on a first come, first served basis to eligible applicants until the end of the application period specified in Part IV above and subject to all other requirements of this Program Description. The limits specified in Part I-G will not apply.

E. Applications for developments that have received an allocation of Multifamily Tax-Exempt Bond Authority in 2001 or later will not be considered for an allocation of 2012 Multifamily Tax-Exempt Bond Authority prior to October 1, 2012. The provisions of Part IX-C-3 will not apply.
F. Multiple Applications Received on the Same Day

1. If, on or before April 1, 2012, THDA receives multiple eligible applications for the same Grand Division on the same day that, in the aggregate, request more Multifamily Tax-Exempt Bond Authority than is available in that Grand Division, the eligible applications will be ranked in descending order by score and priority will be given to the eligible application(s) with the highest score. If two or more eligible applications have the same score, the eligible applications with the same score will be ranked in ascending order by Multifamily Tax-Exempt Bond Authority requested per unit and priority will be given to the eligible application(s) with the lowest Multifamily Tax-Exempt Bond Authority requested per unit. If two or more eligible applications request the same amount of Multifamily Tax-Exempt Bond Authority per unit, the eligible applications requesting the same amount of Multifamily Tax-Exempt Bond Authority per unit will be ranked in ascending order by Multifamily Tax-Exempt Bond Authority requested per square foot of heated, residential floor space reserved for low-income tenants and priority will be given to the eligible application with the lowest Multifamily Tax-Exempt Bond Authority requested per square foot of heated, residential floor space reserved for low-income tenants.

2. If, after April 1, 2012, THDA receives multiple eligible applications on the same day that, in the aggregate, request more Multifamily Tax-Exempt Bond Authority than is available, the eligible applications will be ranked in descending order by score and priority will be given to the eligible application(s) with the highest score. If two or more eligible applications have the same score, the eligible applications with the same score will be ranked in ascending order by Multifamily Tax-Exempt Bond Authority requested per unit and priority will be given to the eligible application(s) with the lowest Multifamily Tax-Exempt Bond Authority requested per unit. If two or more eligible applications request the same amount of Multifamily Tax-Exempt Bond Authority per unit, the eligible applications requesting the same amount of Multifamily Tax-Exempt Bond Authority per unit will be ranked in ascending order by Multifamily Tax-Exempt Bond Authority requested per square foot of heated, residential floor space reserved for low-income tenants and priority will be given to the eligible application with the lowest Multifamily Tax-Exempt Bond Authority requested per square foot of heated, residential floor space reserved for low-income tenants.

Part VII: Scoring Criteria

Points will be awarded, as indicated below, to applications demonstrating that they meet the following conditions:

A. Meeting Housing Needs: (Maximum 50 points)

1. Market Study: Maximum 45 points
   a. Developments located within 2 miles driving distance (for urban counties as specified in Exhibit 3) or 4 miles driving distance (for rural counties as specified in Exhibit 3) of the following neighborhood amenities will receive
2 points for each amenity type. The distance will be as determined in the market Study: **Maximum 20 points**

- Full service grocery (if the full service grocery contains a full service bank, 1 point may be claimed for each)
- Full service restaurant and/or retail center
- Public transportation access (e.g. bus stop or passenger train station)
- Full service bank or credit union (ATMs do not qualify)
- Public or private non-profit educational institution
- Doctor’s office (general practitioners, not specialized practices), Dentist’s office, or Emergency Clinic or Hospital (facilities must not be exclusive)
- Public recreation or community center (e.g. senior center)
- Library
- Public park
- Police or Sheriff Station
- Fire Station
- Convenience store/gas station

b. Developments proposed in market areas where the overall affordable housing occupancy rate is greater than 93%. The overall affordable housing occupancy rate will be as determined in the Market Study. Rates are rounded to the nearest whole number: **Maximum 14 points**

<table>
<thead>
<tr>
<th>Occupancy Rate</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>94%</td>
<td>2 points</td>
</tr>
<tr>
<td>95%</td>
<td>4 points</td>
</tr>
<tr>
<td>96%</td>
<td>6 points</td>
</tr>
<tr>
<td>97%</td>
<td>8 points</td>
</tr>
<tr>
<td>98%</td>
<td>10 points</td>
</tr>
<tr>
<td>99%</td>
<td>12 points</td>
</tr>
<tr>
<td>100%</td>
<td>14 points</td>
</tr>
</tbody>
</table>

c. Developments able to achieve a minimum of 93% occupancy no later than 12 months from the required placed in service date. Occupancy rate and time will be as determined in the Market Study: **11 points**

d. The determinations of the market analyst as reflected in the market study are determinative as to eligibility and points.

2. Developments located wholly and completely in a Qualified Census Tract or a Difficult to Develop Area as designated by HUD (Exhibit 2: 5 points)

**B. Development Characteristics: (Maximum 35 points)**

1. Developments not involving rehabilitation designed and built to promote energy conservation by meeting the standards of the 2009 International Building Code. Certification from the design architect will be required following the issuance of the Commitment Letter. Confirmation from the supervising architect will be
required prior to any partial refund of the Commitment Fee pursuant to Part X-D: (10 points)

2. Developments not involving rehabilitation designed and built using brick, stone, cement fiber siding, or vinyl to meet a 15-year maintenance-free exterior standard. Certification from the design architect will be required following the issuance of the Commitment Letter. Confirmation from the supervising architect will be required prior to any partial refund of the Commitment Fee pursuant to Part X-D: (10 points)

3. Developments not involving rehabilitation designed and built with a minimum of 65% of the exterior wall surfaces below the plate line covered with brick, stone, or cement fiber siding. Certification from the design architect will be required following the issuance of the Commitment Letter. Confirmation from the supervising architect will be required prior to any partial refund of the Commitment Fee pursuant to Part X-D: (15 points)

4. Rehabilitation Only
   a. Developments involving major rehabilitation, as described in Part I-F-2-(a) of this Program Description: (35 points)
   b. Developments involving moderate rehabilitation, as described in Part I-F-2-(b) of this Program Description: (30 points)
   c. Developments involving limited rehabilitation, as described in Part I-F-2-(c) of this Program Description: (25 points)

4. For developments involving a combination of new construction and rehabilitation, points will be prorated based on the percentage of units in each category.

C. Serving Special Populations: (Maximum 50 points)
   1. One hundred percent (100%) of the units designed, built and occupied by the elderly. The definition of elderly is as follows:
      a. for proposed developments utilizing other state or federal financing (e.g. HUD, USDA), the definition of elderly shall be consistent with the requirements of the other state or federal financing; or
      b. for all other proposed developments, the definition of elderly shall be a household whose head or head’s spouse or sole member is a person who is at least 62 years of age.

Certification from the design architect will be required following the issuance of the Commitment Letter. Confirmation from the supervising architect will be required prior to any partial refund of the Commitment Fee pursuant to Part X-D: (20 points)

OR

2. The greater of one unit or at least five percent (5%) of the total number of units in the development (which number shall be rounded up to the next whole unit) must fully meet accessibility requirements for persons with disabilities. Certification from the design architect will be required following the issuance of the Commitment Letter. Confirmation from the supervising architect will be
required prior to any partial refund of the Commitment Fee pursuant to Part X-D: (20 points)

OR

3. Developments with units designed and built for large families, (i.e., three or more bedrooms). The number of units shall be rounded up to the next whole unit. Certification from the design architect will be required following the issuance of the Commitment Letter. Confirmation from the supervising architect will be required prior to any partial refund of the Commitment Fee pursuant to Part X-D.

<table>
<thead>
<tr>
<th>Percent of Units</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>8%-10%</td>
<td>12 points</td>
</tr>
<tr>
<td>above 10%</td>
<td>20 points</td>
</tr>
</tbody>
</table>

OR

4. Developments with at least fifty percent (50%) of the units designed and built for single room occupancy (which number shall be rounded up to the next whole unit). Certification from the design architect will be required following the issuance of the Commitment Letter. Confirmation from the supervising architect will be required prior to any partial refund of the Commitment Fee pursuant to Part X-D: (20 points)

AND

5. Election to set aside a minimum of ten percent (10%) of the units (which number shall be rounded up to the next whole unit) for households with incomes no higher than fifty percent (50%) of the area median income: (30 points). NOTE: Election of points under this Part VII-C-5 shall constitute an election of points under Part VII-B-5-a of the 2012 Low-Income Housing Tax Credit Qualified Allocation Plan with regard to an application for noncompetitive Low-Income Housing Tax Credit.

D. Increasing Housing Stock: (25 points)

Developments which are new construction or are conversions of buildings not being used for housing which make them usable as housing: (25 points)

E. Affirmatively Furthering Fair Housing: (2 points)

The development must have and be operated in accordance with marketing plans, lease-up plans, and operating policies and procedures which are fully compliant with the THDA Affirmative Marketing Policy and Procedures.

F. Energy Efficiency (5 points)

Developments utilizing ENERGY STAR or ENERGY STAR compliant items in all units will be awarded 1 point per type of appliance, up to a maximum of 5 points. Certification from the design architect will be required following the issuance of the Commitment Letter. Confirmation from the supervising architect will be required prior to any partial refund of the Commitment Fee pursuant to Part X-D.
Item types
- Dishwashers (in all units)
- Exterior doors (in all units)
- HVAC units (in all buildings or units, as applicable)
- Refrigerators (in all units)
- Windows (in all units)

Part VIII: Eligibility Determination and Completeness Notification

A. Notice to Applicants Meeting Eligibility Requirements
   1. THDA will notify each applicant when the eligibility determination and scoring of the application is complete.
   2. If THDA determines that an application meets all of the eligibility requirements of this Program Description, the notice will include information about the number of eligible applicants received before this applicant and the status of the allocations per Part VI. A Commitment Letter (see Part IX) may be issued in lieu of this information.

B. Notice to Applicants Not Meeting Eligibility Requirements or Incomplete
   1. If THDA determines that an application does not meet one or more of the eligibility requirements of this Program Description or is incomplete, THDA will return the application with notice to the applicant describing items that were erroneous, missing, incomplete, or inconsistent. THDA will also notify applicants if THDA determines that (a) any two or more developments proposed in two or more applications constitute a single development for purposes of applying the development limits specified in Part I-F or (b) developers or related parties reflected in two or more applications constitute a single entity for purposes of applying the developer or related party limitation specified in Part I-G.
   2. Applicants may cure the deficiencies and resubmit the application, in accordance with Part IV. The resubmitted application will be treated as a new application in accordance with Part IV. A resubmission fee may be due as described in Part X-B.

Part IX: THDA Commitment for Volume Cap

A. Issuance of Commitments
   1. a. All commitments, as described in this Part IX, will be issued in the form of a letter only to the relevant local issuing authority, and will be valid only to provide financing for a specific applicant, for a specific development, on a specific site (the “Commitment Letter”). Any change in the applicant entity, the ownership entity, or in the size, nature, or other characteristics of the development; may, in THDA’s sole discretion, invalidate the Commitment Letter. Under no condition may the site proposed for the development be changed to another site. The applicant and the local issuing authority are obligated to report any such changes to THDA regardless of whether such changes occur prior to or after the issuance of a Commitment Letter.
b. For the commitment to be valid, the applicant and the issuer must comply with all of the terms stated in the Commitment Letter, which might include compliance with performance requirements related to any other development for which tax-exempt bonds have been issued.

2. For successful applications for Multifamily Tax-Exempt Bond Authority pursuant to this Program Description, THDA will issue a Commitment Letter stating the terms of the commitment.

3. Commitment Letters will not be issued if the amount of Multifamily Tax-Exempt Bond Authority made available hereunder is fully committed.

B. Expiration of Commitment

1. Once a THDA Commitment Letter is issued, it is valid for a maximum of 90 days from the date specified in the Commitment Letter. The bonds must be used to provide the financing for the development, the local issuer must issue and sell the bonds, and the sale must be closed on or before the date specified in the Commitment Letter, otherwise the commitment expires and the Multifamily Tax-Exempt Bond Authority allocated automatically reverts to THDA.

2. THDA, in its sole discretion, may extend the date and time for closing the sale of the bonds beyond 1:00 PM Central Time on the date specified in the Commitment Letter. A written request for an extension must be received by THDA a minimum of five (5) business days prior to the expiration of the Commitment Letter in order for the request to be considered. THDA will not approve requests for extensions of more than ten (10) business days. If an extension is granted, the Incentive Fee WILL NOT be refunded.

3. Closings in escrow, or any form of contingent closing are not considered "closed" for purposes of expiration of the commitment.

C. Commitment Letters Issued Between October 1, 2012 and December 31, 2012

1. The 90 day period specified in the Commitment Letter will extend beyond December 31, 2012, however, no carryforward of 2012 Multifamily Tax-Exempt Bond Authority will be permitted for bond closings that occur after December 31, 2012.

2. THDA will extend the 90 day period specified in the Commitment Letter for a number of days equal to the number of days between January 1, 2013 and the date upon which THDA receives an allocation of Multifamily Tax-Exempt Bond Authority for 2013. This extension will not affect the Incentive Fee, however, Part IX-B-2 will apply to any other extensions requested.

3. The Commitment Letter will specify the procedure by which 2012 Multifamily Tax-Exempt Bond Authority may be exchanged for 2013 Multifamily Tax-Exempt Bond Authority, subject to THDA’s receipt of 2013 Multifamily Tax-Exempt Bond Authority. Such an exchange will not extend the 90 day period specified in the Commitment Letter, except as specified in Part IX-C-2 above.

4. Any failure to meet the requirements specified in the Commitment Letter to exchange 2012 Multifamily Tax-Exempt Bond Authority for 2013 Multifamily
Tax-Exempt Bond Authority will result in the recapture of the 2012 Multifamily Tax-Exempt Bond Authority referenced in the Commitment Letter by THDA and no subsequent eligibility for 2013 Multifamily Tax-Exempt Bond Authority.

D. Commitment Letters Issued Between January 1, 2013 and the 2013 Effective Date

1. No Commitment Letters will be issued for applications submitted between January 1, 2013 and the 2013 Effective Date if no 2012 Multifamily Tax-Exempt Bond Authority was uncommitted as of December 31, 2012.

2. Commitment Letters issued between January 1, 2013 and the 2013 Effective Date will reflect a commitment of 2013 Multifamily Tax-Exempt Bond Authority, subject to the availability of 2013 Multifamily Tax-Exempt Bond Authority by THDA and limited to a maximum collective amount of 2013 Multifamily Tax-Exempt Bond Authority equal to the amount of 2012 Multifamily Tax-Exempt Bond Authority uncommitted as of December 31, 2012.

3. No Commitment Letters will be issued under this 2012 Multifamily Tax-Exempt Bond Authority Program Description on or after the 2012 Effective Date.

Part X: Fees, Partial Refunds of Fees, and Fees Retained by THDA

A. Application Fee

An Application Fee of one thousand five hundred dollars ($1,500) must be submitted to THDA at the time an application is submitted. THIS FEE IS NOT REFUNDABLE. If the fee is not submitted at the time an application is submitted, the application is incomplete and will be returned. Applications returned for this reason must submit the full one thousand five hundred dollar ($1,500) Application Fee if resubmitted.

B. Resubmission Fee

A Resubmission Fee of seven hundred and fifty dollars ($750) must be submitted to THDA if an application is resubmitted following the resubmission deadline specified in the notice described in Part VIII-B.

C. Commitment Fee and Incentive Fee

1. Applications receiving a Commitment Letter from THDA for a specific amount of Multifamily Tax-Exempt Bond Authority must submit a Commitment Fee and an Incentive Fee prior to the commitment being valid.

2. The Commitment Fee will be an amount equal to one percent (1%) of the Multifamily Tax-Exempt Bond Authority allocated to the local issuer.

3. The Incentive Fee will be equal to twenty percent (20%) of the Commitment Fee.

D. Refund of Commitment Fee and Incentive Fee

1. a. The following documentation, without limitation, must be submitted by the applicable deadlines:
(i) documentation from the issuing authority's bond counsel (including, without limitation, a Closing Confirmation Letter) must be submitted **no later than the expiration of the Commitment Letter**;

(ii) acceptable proof that all units are constructed and the facility is placed in service must be submitted **no later than two years after the expiration of the Commitment Letter**;

(iii) all applicable certifications required in Part VII-B must be submitted **no later than two years after the expiration of the Commitment Letter**; and

(iv) acceptable proof that all forms to be filed by the issuing authority have been completed and filed to THDA's satisfaction must be submitted **no later than two years after the expiration of the Commitment Letter**.

b. Following satisfaction of all applicable requirements of Part X-D-1-a above, one half (½) of the Commitment Fee will be refunded.

2. If all the conditions of Part X-D-1 have been met and the bonds were issued and sold on or before 1:00 PM Central Time on the date specified in the Commitment Letter, THDA will refund the Incentive Fee.

3. If the application is withdrawn, THDA will retain the full amount of the Incentive Fee. If the application is resubmitted in substantially the same form and during the same calendar year, in THDA’s sole discretion, the retained Incentive Fee from the withdrawn application may be applied toward the Incentive Fee for the resubmitted application.

4. If 2012 Multifamily Tax-Exempt Bond Authority is exchanged for 2013 Multifamily Tax-Exempt Bond Authority in accordance with the provisions of Part IX-C-3 above, the Commitment Fee will be refunded in the event that THDA does not receive 2013 Multifamily Tax-Exempt Bond Authority.

E. **Release of Commitments and Partial Refund of Commitment Fee**

1. Commitments may be released by notifying THDA, in writing, prior to the expiration of the Commitment Letter, that the bonds will not be issued.

2. A commitment which is released according to these requirements will receive a refund of seventy-five percent (75%) of the Commitment Fee. THDA will retain twenty-five percent (25%) of the Commitment Fee.

F. **Commitment Fee and Incentive Fee Retained by THDA**

1. If the bonds are not issued by the expiration date of the Commitment Letter, and the Commitment Letter has not been released according to Part X-D, THDA will retain the full amount of the Commitment Fee and the full amount of the Incentive Fee. **NONE** of the Commitment Fee and **NONE** of the Incentive Fee will be refunded to the applicant.

2. If the bonds are issued and sold, but the development is not placed in service, THDA will retain the full amount of the Commitment Fee and the full amount of the Incentive Fee. **NONE** of the Commitment Fee and **NONE** of the Incentive Fee will be refunded to the applicant.
3. If a request for an extension to the deadline for closing the sale of the bonds beyond 1:00 PM Central Time on the date specified in the Commitment Letter is approved in accordance with Part IX-B-2., **NONE** of the Incentive Fee will be refunded to the applicant.

G. **Monitoring Fee**

1. For Developments that receive Multifamily Tax-Exempt Bond Authority and noncompetitive Low Income Housing Tax Credit, Monitoring Fees shall be as prescribed in the applicable Tax Credit Qualified Allocation Plan.

2. For Developments that receive Multifamily Tax-Exempt Bond Authority, but do not receive Low Income Housing Tax Credit, Monitoring Fees shall be as follows:
   
a. When the development is placed in service, a compliance Monitoring Fee is due to THDA, payable in the form of a certified check (this fee also applies to USDA/RD [formerly FmHA] developments). The Monitoring Fees are $400 per unit in the Development.

   b. Owners seeking to correct non-compliance will be charged additional fees to cover additional costs which may be incurred by staff to correct the non-compliance issue.
      
      (i) Reinspection of a file: $200
      
      (ii) Reinspection of a property:
      
      (iii) Standard mileage rate in effect by the State of Tennessee at the time of the reinspection from Nashville to the property and back to Nashville;

      (iv) applicable state allowed per-diem for one staff person;

      (v) Lodging expenses as allowed under State of Tennessee travel regulations; and

      (vi) Any other expenses incurred by THDA relating to the property reinspection.

   c. Fees will be due to THDA prior to issuance of reinspection findings.

   d. At any time following the fifth year of monitoring for each development, THDA will evaluate the need for an additional Monitoring Fee. THDA may, at its sole discretion, charge a single additional Monitoring Fee not greater than the initial Monitoring Fee stated above. THDA will charge this additional Monitoring Fee only if the costs of monitoring for Tax Credit compliance, in the aggregate, appear likely to exceed the aggregate amount of initial Monitoring Fees collected. A decision by THDA to charge any such additional fee shall not constitute an amendment to this Program Description.

   e. Owners who fail to submit the required Owner’s Annual Certification of Compliance forms and supporting documentation by the date required by THDA will be charged a late fee of $100 per month, for each month, or portion of a month, until the Certification and supporting documentation is received
and considered satisfactory by THDA. This fee will be due upon submission of the forms and/or supporting documentation required. Receipt of Certification without the applicable late fee will be considered incomplete.

**Part XI: Application for Low-Income Housing Tax Credits**

If the development also seeks non-competitive Low-Income Housing Tax Credit ("non-competitive Tax Credit"), a separate application must be submitted to Tennessee Housing Development Agency to request the non-competitive Tax Credit. Receipt of authority to issue tax-exempt bonds does not guarantee receipt of non-competitive Tax Credit. THDA retains the authority to determine eligibility to receive non-competitive Tax Credit and the amount of non-competitive Tax Credit to be allocated to the development, up to the maximum amount eligible with tax-exempt financing. Any development seeking non-competitive Tax Credit must apply for non-competitive Tax Credit under the applicable Tax Credit Qualified Allocation Plan in the same calendar year in which the tax-exempt bonds are issued. THDA will conduct an eligibility and scoring review under the applicable Tax Credit Qualified Allocation Plan with regard to a non-competitive Tax Credit application submitted in conjunction with an application for Multifamily Tax-Exempt Bond Authority within forty-five (45) days of THDA’s receipt of such non-competitive Tax Credit application. Any applicant for non-competitive Tax Credit will be subject to all fees and requirements stated in the applicable Tax Credit Qualified Allocation Plan, including monitoring fees.

If a development is the subject of a pending competitive 2012 or 2013 Tax Credit application and is the subject of an application under the 2012 Multifamily Tax-Exempt Bond Authority Program Description, the issuance of a Commitment Letter in accordance with Part IX-A of this Program Description shall constitute the withdrawal of the competitive Tax Credit application.

The maximum obtainable rents supported by the market study will be expected to support reasonable operating expenses and maximum mortgage debt service prior to Tax Credits filling any financial “gaps”. This may require that the development obtain additional financing from other sources over and above the maximum amount of Multifamily Tax-Exempt Bond Authority or non-competitive Tax Credit committed to the development by THDA.

**Part XII: Information and Applications**

THDA staff will attempt to assist with information in completing an application, however if clarification or interpretation is required, an interested party should submit their specific request in writing to THDA.

---

For more information call:
Judith Smith at (615) 815-2143
Information is available on THDA’s web site at: www.thda.org
Executive Summary

Each market study must include a narrative executive summary and a summary table (Table 1). The narrative must include the following (recommended to be no more than three pages):

1. A brief statement on the overall prospects for the success of the proposed development, given housing demographic trends and economic factors.
2. A brief description of the site and the immediately surrounding area. The description must include the project’s name, street address (if available), city, county, and zip code.
3. A description of the targeted population.
4. A brief description of the delineation of the market area.
5. A brief summary narrative that includes an estimate of the demand for each unit type at the proposed start of lease-up through presentation of the penetration, absorption, and capture rates. Also include a summary of strengths and/or weaknesses of the market and of the proposed development that may impact the development’s marketability and performance and circumstances that may lessen any negative attributes. A summary of how competitive the proposed development may be relative to existing and planned affordable housing developments in the market area. Please include a statement of possible negative effects on existing subsidized housing (e.g. Rural Development, LIHTC, etc.) in the PMA.

Table 1: Summary Table

Table 1 provides crucial, required information from the market study. In particular, Part VII, A(1)(b) of the Program Description refers to the “overall affordable housing occupancy rate”. This rate is found in Table 1(ii) under the “All Comparable Developments” row, in the “Current Occupancy” column. All of the properties that are considered for inclusion in this part (ii) should be multi-family, with the exception of those that fall under the criteria found in Section E(13) of the Market Study Guidelines.

Please note in the following definitions, that the categories of “Market Rate Housing”, “Assisted/Subsidized Housing not incl. LIHTC”, and “LIHTC” are mutually exclusive. Further information can be found in Section E of these guidelines. Definition of terms in Table 1(ii):

All Rental Housing: refers to all rental housing in the market area.
Market-Rate Housing: refers to all rental housing in the market area that does not benefit from a public or non-profit subsidy that creates non-market limitations on maximum rents charged.
Assisted/Subsidized Housing not incl. LIHTC: refers to all rental housing in the market area that has some form of public or non-profit assistance or subsidy that creates non-market limitations on maximum rent charged, except LIHTC developments which are listed below.
LIHTC: this refers to all housing in the market area that received Low Income Housing Tax Credits and are still in the compliance or extended use period.

Non-Stabilized Comps: refers to all rental housing properties that are still in lease-up or properties that have suffered significant damage (e.g. from a fire or flood).

All Comparable Developments: Comparable developments are those that compete at nearly the same rent levels and tenant profile, such as age, family and income, regardless of the housing category they fall under. This means that comparable developments can be found under the “Market-Rate Housing”, “Assisted/Subsidized Housing not incl. LIHTC” and “LIHTC” categories. Developments that are not comparable but that are included under the “Market-Rate Housing”, “Assisted/Subsidized Housing not incl. LIHTC” and “LIHTC” categories will not be included under “All Comparable Developments”.

### TABLE 1: SUMMARY TABLE

<table>
<thead>
<tr>
<th>(i) Market Study Summary</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Development Name</td>
<td>Project ID</td>
</tr>
<tr>
<td>Location</td>
<td>Total Units</td>
</tr>
<tr>
<td>PMA Description</td>
<td>Low income Units</td>
</tr>
<tr>
<td>Furthest Boundary Distance to Project</td>
<td># Buildings</td>
</tr>
<tr>
<td>Within QCT (y/n)</td>
<td>Within DDA (y/n)</td>
</tr>
<tr>
<td>Type of Development (New/Rehab/Acq. Rehab)</td>
<td></td>
</tr>
<tr>
<td>Targeted Household Type</td>
<td></td>
</tr>
<tr>
<td>Development Recommended/Not Recommended</td>
<td></td>
</tr>
</tbody>
</table>

### (ii) Rental Housing Stock (found on pages 7-9)

<table>
<thead>
<tr>
<th>Type</th>
<th># Properties</th>
<th>Total Units</th>
<th>Vacant Units</th>
<th>Current Occupancy</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Rental Housing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market-Rate Housing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assisted/Subsidized Housing not incl. LIHTC</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LIHTC</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Stabilized Comps</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>All Comparable Developments</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### (iii) Rent Comparison

<table>
<thead>
<tr>
<th>Proposed Development</th>
<th>Adjusted Market Rent</th>
<th>Highest Comp Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td># Units</td>
<td># Beds</td>
<td># Bath</td>
</tr>
</tbody>
</table>

### (iv) Demographic Data (found on page 6)

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2010</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renter Households</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income Qualified Renter Households</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market Rent Households (if applicable)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### (v) Targeted Income Qualified Renter Household Demand (found on page 9-10)

<table>
<thead>
<tr>
<th>Type of Demand</th>
<th>50%</th>
<th>60%</th>
<th>Market-rate</th>
<th>Other</th>
<th>Other</th>
<th>Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renter Household Growth</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Existing Households</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Home Conversion</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less Comp. Supply</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### (vi) Capture Rates (found on page 10)

<table>
<thead>
<tr>
<th>Target Population</th>
<th>50%</th>
<th>60%</th>
<th>Market-rate</th>
<th>Other</th>
<th>Other</th>
<th>Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capture rate</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### (vii) Absorption (found on page 10)

<table>
<thead>
<tr>
<th>Absorption Rate</th>
<th>per month</th>
<th>Absorption Period</th>
<th>months</th>
</tr>
</thead>
</table>
Below are the guidelines for market studies performed for Tennessee’s application process. Studies should follow the order of information below and include the appropriate section heading. For definitions of terms used and not defined in these guidelines, please refer to the National Council of Affordable Housing Market Analysts’ Market Study Terminology. Please note that where rehabilitation developments or special needs population developments require a departure from the standard information, analysts are to follow industry best practices in constructing their analysis.

A. Development Description

1. Development Make Up:
   a) Proposed number of units by: number of bedrooms and baths, income limit as a percent of area median income (AMI), unit size in square feet, and utility allowances for tenant paid utilities, proposed rents, and target population, including income restrictions, proposed housing assistance and any special needs units, the utilities expected to be paid by tenants and energy sources for tenant paid hot water, heat, cooking and air conditioning.
   b) Description of: type of construction (new construction or rehabilitation), the type of structure (townhouse, duplex, high-rise, etc.), the number of buildings, design (walk-up, elevator, etc.), and number of stories, units per acre, unit and common amenities, site amenities and the number of parking spaces.
   c) For rehabilitation developments provide a description of the methodology for the rehabilitation and the scope of work. Include the estimated cost of the rehabilitation per unit. Include the status or date of architectural plans, name of the architect, and/or a copy of the floor plans and elevations. For rehabilitation projects of existing, operational rental housing, provide an explanation of the current occupancy rate, whether current tenants will remain eligible for the rehabbed units, trends in occupancy over the previous 24 months, current rents, rent subsidies in place, and information regarding the future availability of rent subsidies.
   d) For rehabilitation, identification of any existing assisted housing program at the property such as Section 8, Section 202, Section 811, BMIR, Section 236, etc., as well as current occupancy levels, current rents and proposed rents.
   e) Developer’s projected dates for construction start and completion, and start of pre-leasing.
   f) Description of the type of households the development is designed to serve (e.g. income level, senior, disabled, homeless, etc.).

2. The market study must provide a clear and thorough development description that includes:
   a. Color photos of the development site labeled to facilitate understanding of the project. Existing projects should include photos of: the exterior of the property, the interior units, and the common area amenities.
   b. A map indicating the location of the development site.
   c. A narrative explaining any zoning, overlays or other types of land use requirements for the development site.
d. A narrative explaining the type and character of land use in the immediate area around the development site, including zoning of any undeveloped sites.

e. Color photographs that show land use surrounding the development site and the type and character of the land surrounding the development site as well as land use in the surrounding neighborhood if different from the immediate area.

f. Report on any negative attributes of the site and the immediate area. Examples of negative attributes of the site include: a site on the National Priorities List, a site neighboring a junkyard/dump, etc.

g. A description of the site characteristics including its size, shape, general topography and vegetation. Describe the suitability of the proposed site. Describe and evaluate the visibility and accessibility of the site and a conclusion on how it may impact marketability.

3. Neighborhood Amenities
a. A narrative describing the neighborhood amenities offered.

b. A table (Table 2) that describes the neighborhood amenities closest to the development site and specify the driving distance of the amenity from the site. Distances will be measured from the physical address of the development site to the physical address of the applicable amenity. If the development is a scattered site development, complete Table 2 for each site.

c. Other amenities that the neighborhood offers can be included in the table and described in a narrative if applicable. Provide photographs of the site and neighborhood, and two maps: a map at the neighborhood level clearly identifying the location of the development and the amenities listed above that are found in the proposed development’s immediate area and a more regionalized map that shows the location of the development, neighborhood, and relevant amenities.

<table>
<thead>
<tr>
<th>Table 2 – Neighborhood Amenities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Amenity type</strong> (list only nearest of each type of amenity)</td>
</tr>
<tr>
<td>Full Service Grocery</td>
</tr>
<tr>
<td>Public Transportation Access (e.g. bus stop or passenger train station)</td>
</tr>
<tr>
<td>Full Service Bank or credit union (ATMS do not qualify), including those located within a grocery store</td>
</tr>
<tr>
<td>Public or private not for profit educational institution</td>
</tr>
<tr>
<td>Doctor’s office (general practitioners, not specialized practices), Dentist’s office or Emergency Clinic or Hospital (facilities must not be exclusive)</td>
</tr>
<tr>
<td>Public recreation or community center (e.g. senior center)</td>
</tr>
<tr>
<td>Library</td>
</tr>
</tbody>
</table>
B. Location and Market Area Definition

1. Define the primary market area (PMA) and provide a map of the defined area. Include a map that clearly delineates the areas and an explanation of the basis for the boundaries of the PMA. Identify PMA boundaries by census tracts, jurisdictions, street names, or other geography forming the boundaries. Also define the larger geographic area in which the PMA is located (i.e. city, county, MSA, etc.).

2. Include a narrative that explains the rationale of the PMA definition. This should include clear socio-economic differences in the area, a demographic analysis of the market, and interviews with area stakeholders, including management or leasing agents at comparable properties. The map and/or narrative must include the distance from the project site to the PMA boundaries.

C. Demographic Characteristics

Present demographic data for the PMA and other geographic areas (like cities, counties, or states) as appropriate. All data should include information for 2000, the current year, and 2013. These data must be from reputable public entities and/or private vendors. All sources of data should be identified and the strengths and weaknesses of each data source should be described as they pertain to the conclusions of the market analyst. These data must include:

1. Population and household counts within the PMA

2. Total population characteristics and households. Population and households by age group and by household type.

3. Households by incomes in $5,000-$10,000 increments by tenure and by average household size and average household size by tenure.

4. An analysis of trends indicated by the data including an explanation of methodologies for analyst-generated estimates.

5. If the project is for a targeted population, the above demographics should also focus on the relevant data for this targeted population. For example, studies for proposed developments that target senior households should include demographic data for the relevant age cohort.
D. Employment and Economy

Provide data and analysis on the employment and economy of the Primary Market Area (PMA) to give an understanding of the overall economic health of the community in which the PMA is located. List sources for the data and methodology for the analysis and the strengths and weaknesses of each data source/methodology should be described as they pertain to the conclusions of the market analyst.

1. Provide a description of overall employment and of employment by industry sector for the PMA or smallest geographic area available that includes the PMA and compare the data to the larger geographic area, e.g. the city, county, labor market area, or metropolitan statistical area (MSA).

2. Show the unemployment rate for the last ten years (or other appropriate period) for the most appropriate geographic areas.

3. List major employers in the PMA (or other appropriate small geographic area), the type of business and the number employed. Discuss any announced changes in the area workforce, contractions in the workforce, newly announced employers and their expected effect on the local economy.

4. Show employment growth over the last five years. Compare to the larger geographic area.

5. Comment on trends for employment in the PMA in relation to the development.

6. If relevant (such as in resort areas), comment on the availability of affordable housing for employees of businesses and industries that draw from the PMA.

7. Provide a breakdown of typical wages by occupation.

8. If relevant for the proposed development, provide commuting patterns for workers such as how many workers commute to/from surrounding areas outside the PMA, the mode of transportation used for the commute, and the average commuting time.

9. Based on the above data provide analysis and conclusions on the overall status of the PMA’s economy and how the proposed development would be affected.

E. Competitive Environment

Provide information on other rental housing in the Primary Market Area (PMA) and any rental housing proposed to be developed in the PMA. This section of the market study should address the following:

1. Identify a list of all existing comparable properties, including: name, location, population served, type of design, age and condition, number of units by bedroom type, rent levels, number of bedrooms and baths for each unit type, size in square footage of units, kitchen equipment, type of
utilities (state whether paid by tenant or owner and energy sources for hot water, heat and cooking), unit and site amenities included, site staffing, occupancy rate, absorption history (if recently completed), name, address and phone number of property contact. A minimum of three comparables must be included, and all LIHTC and/or THDA Multifamily Tax-Exempt Bond comparables must be included. Attach photos of each comparable property. Include a map identifying the location of each comparable property in relation to the subject.

2. Provide a narrative evaluation of the development in relation to the comparable properties, and identify the competitive properties, which are most similar to the proposed development. The analyst should state why the comparables referenced have been selected, which are the most directly comparable, and explain why other potentially comparable developments have not been included. Comparables should not include properties that are still in lease-up or properties that have suffered significant damage (e.g. from a fire or flood).

3. Comparable property comparisons to the proposed development in terms of amenities, tenant paid utilities, location, parking, concessions and rent increase or decrease trends. Please submit this in table format, when appropriate.

- An analysis of the competitive position (rents) of the proposed development relative to other LIHTC and/or THDA Multifamily Tax-Exempt Bond rental developments in the PMA.
- An analysis of the competitive position (rents) of the proposed development relative to competitive market-rate rental developments in the PMA.

4. The market occupancy rate for the PMA rental housing stock by population served (i.e. market rate, low income housing tax credit, and project based rent assistance) and type of occupancy (i.e. family, seniors, special populations) and unit size.

5. Discuss the impact of the proposed development on the existing rental housing stock. Detail all existing subsidized housing by type (RD, LIHTC, etc.) and any adverse impact the proposed development may have on the existing subsidized housing.

6. Identify the number of people on waiting lists for each comparable property.

7. Describe the size of the overall rental market in the PMA, including the percentage of market rate and affordable housing units.

8. Describe the status of Section 8 Housing Choice Voucher and Public Housing waiting lists serving the PMA.

9. Discuss the availability and cost of affordable housing options, including purchase or sale of homes, if applicable. This should include a discussion of residential foreclosures.

10. Discussion of rental projects planned or under construction in the market area. Include a list of LIHTC and/or THDA Multifamily Tax-Exempt Bond projects with allocations in or near the market.
area that are not placed in service, giving as much known detail as possible on estimated placed-in-service dates, unit mix and income levels to be served.

11. A 10-year, or other appropriate period, history of building permits, if available, by housing type and comments on building trends in relation to household trends.

12. In cases of rehabilitation of an existing property, discuss the development’s marketability and competitiveness in comparison to similar existing or planned multifamily properties.

13. In the case of proposed rural projects where a sufficient number of comparables do not exist in the PMA, data on at least three developments in adjacent markets with similar characteristics must be included in the market analysis. Also, in rural areas lacking sufficient three or four bedroom rental comparables, provide data on three and four bedroom single family rentals, or provide information on rental trailer homes and single family homes in an attempt to identify where potential tenants are currently living.

14. Senior developments should not be used in the survey for a family oriented community. If insufficient senior communities exist in the primary market area to make a determination on rents or market conditions, a survey of family oriented communities with comparable unit types (e.g. 1-bedroom, garden units) should be included. 15. In the case of other special needs housing developments, analysts should use comparables that serve like populations to the population served by the proposed development, consistent with industry best practices for examining the competitive environment.

F. Analysis/ Conclusions

The analyst should describe the strengths and weaknesses of each data source as they pertain to the conclusions of the market study.

1. Provide a detailed analysis of the income levels of the potential tenants for the proposed units. State and support the minimum household income used for total housing expenses to set the lower limit of the targeted household income range.

2. Calculate total demand based on existing (current year) and the addition of new income eligible renter households to the PMA that will take place through 2013. Total demand should be based on the following within the PMA:

- New households (growth)
- Rent-overburdened households, if any, within the age group, income cohorts and tenure (renters) targeted for the proposed development; the analysis should assume rent-overburdened households are paying greater than 35% (family) or 40% (senior) of income towards gross rent.
• Households living in substandard housing units; adjust for age, income bands, and tenure as applicable. The analyst must use conservative estimates as to the demand from households that are both rent-overburdened and living in substandard housing.

• Income-eligible senior homeowners likely to convert to renters. Analysts must provide a narrative of the steps taken in order to derive estimates of demand. Analysts are encouraged to be conservative in this regard.

3. Calculate the capture rate and penetration rate for each income limit in the proposed development incorporating any housing finance agency or other regulating agency restrictions such as age, income, living in substandard conditions, renters versus home owners, household sizes, etc.

4. Define and justify the absorption period (to 93% occupancy) and absorption rate for the proposed development.

5. Calculations for this section should include the following consideration:

• The population projected must be limited to the age and income cohort. The demand for each income group (i.e. 50% of area median income (AMI)) targeted must be shown separately).

• Proposed developments targeting senior households must present data demand calculations for the elderly population, as defined by the Qualified Allocation Plan.

• Use a rent burden of up to 35% of total household income for family households and up to 40% for senior households.

• For senior developments, maximum income limits should be capped at a two person household size.

• In instances where three and four bedroom units, the analyst must include analysis of the number of large households for these larger units.

• In the case of special populations being served (e.g. homeless, disabled, senior, etc.) the analyst must include analysis that considers the proposed population, consistent with industry best practices.

7. Derive a market rent and then compare them to the developer’s proposed rent. Quantify and discuss market advantage of the proposed development and its impact on marketability. The average market advantage across all unit types must be calculated. This average must be weighted based on the number of units by unit bedroom type. Please use the HUD tables found at www.hud.gov/offices/adm/hudclips/forms/files/92273-s8.xls to assist in your calculation of market advantage.

8. Project and explain any future changes in the housing stock within the primary market area.

9. Identify risks (i.e. competitive properties which may come on line at the same time as the proposed development; declining population in the PMA, etc.), unusual conditions and mitigating circumstances.

10. Provide an overall conclusion on the feasibility of the proposed development.
2012 MULTIFAMILY TAX-EXEMPT BOND AUTHORITY PROGRAM

EXHIBIT 2

THE 2011 QUALIFIED CENSUS TRACTS AND DIFFICULT DEVELOPMENT AREAS ARE POSTED ON THE INTERNET AT THE ADDRESS BELOW:

HTTP://WWW.HUDUSER.ORG/DATASETS/QCT.HTML
2012 MULTIFAMILY TAX-EXEMPT BOND AUTHORITY PROGRAM

EXHIBIT 3

URBAN AND RURAL COUNTIES

Rural/Urban Definition using Census 2000 – Cut-off at 50% of Total Population Rural

<table>
<thead>
<tr>
<th>URBAN</th>
<th>RURAL</th>
<th>County</th>
<th>Percent Rural</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shelby</td>
<td>3%</td>
<td>Loudon</td>
<td>50%</td>
</tr>
<tr>
<td>Davidson</td>
<td>4%</td>
<td>Campbell</td>
<td>57%</td>
</tr>
<tr>
<td>Hamilton</td>
<td>10%</td>
<td>Robertson</td>
<td>58%</td>
</tr>
<tr>
<td>Knox</td>
<td>13%</td>
<td>McMinn</td>
<td>59%</td>
</tr>
<tr>
<td>Rutherford</td>
<td>25%</td>
<td>Obion</td>
<td>59%</td>
</tr>
<tr>
<td>Hamblen</td>
<td>25%</td>
<td>Bedford</td>
<td>59%</td>
</tr>
<tr>
<td>Montgomery</td>
<td>25%</td>
<td>Lauderdale</td>
<td>60%</td>
</tr>
<tr>
<td>Sullivan</td>
<td>27%</td>
<td>Hawkins</td>
<td>62%</td>
</tr>
<tr>
<td>Madison</td>
<td>28%</td>
<td>Warren</td>
<td>62%</td>
</tr>
<tr>
<td>Williamson</td>
<td>30%</td>
<td>Hardeman</td>
<td>63%</td>
</tr>
<tr>
<td>Sumner</td>
<td>31%</td>
<td>Marshall</td>
<td>64%</td>
</tr>
<tr>
<td>Washington</td>
<td>33%</td>
<td>Sevier</td>
<td>65%</td>
</tr>
<tr>
<td>Bradley</td>
<td>34%</td>
<td>Chester</td>
<td>65%</td>
</tr>
<tr>
<td>Blount</td>
<td>37%</td>
<td>Tipton</td>
<td>66%</td>
</tr>
<tr>
<td>Putnam</td>
<td>40%</td>
<td>Cocke</td>
<td>67%</td>
</tr>
<tr>
<td>Carter</td>
<td>40%</td>
<td>Henry</td>
<td>67%</td>
</tr>
<tr>
<td>Anderson</td>
<td>42%</td>
<td>Rhea</td>
<td>68%</td>
</tr>
<tr>
<td>Maury</td>
<td>43%</td>
<td>Dickson</td>
<td>69%</td>
</tr>
<tr>
<td>Dyer</td>
<td>43%</td>
<td>Greene</td>
<td>69%</td>
</tr>
<tr>
<td>Unicoi</td>
<td>45%</td>
<td>Hardin</td>
<td>69%</td>
</tr>
<tr>
<td>Wilson</td>
<td>47%</td>
<td>Lewis</td>
<td>69%</td>
</tr>
<tr>
<td>Coffee</td>
<td>48%</td>
<td>Cumberland</td>
<td>69%</td>
</tr>
<tr>
<td>Haywood</td>
<td>48%</td>
<td>Claiborne</td>
<td>70%</td>
</tr>
<tr>
<td>Roane</td>
<td>49%</td>
<td>Franklin</td>
<td>70%</td>
</tr>
<tr>
<td>Gibson</td>
<td>49%</td>
<td>Weakley</td>
<td>71%</td>
</tr>
<tr>
<td>Decatur</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fayette</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fentress</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grainger</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grundy</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hancock</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hickman</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Houston</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jackson</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lake</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Meigs</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Moore</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perry</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pickett</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Polk</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stewart</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trousdale</td>
<td>100%</td>
<td>Overton</td>
<td>84%</td>
</tr>
<tr>
<td>Union</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Van Buren</td>
<td>100%</td>
<td>Scott</td>
<td>85%</td>
</tr>
<tr>
<td>Waynes</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The Census classifies areas as rural that have a density of fewer than 500 people per square mile or fewer than 1000 people per square mile if not adjacent to an area with greater than 1000 people per square mile. Percent rural was determined by dividing the county's rural population by its total population.
<table>
<thead>
<tr>
<th>Approved Vendor</th>
<th>Contact Name</th>
<th>Contact Address</th>
<th>Contact City</th>
<th>Contact State</th>
<th>Contact Zip</th>
<th>Contact Phone</th>
<th>Contact Fax</th>
<th>Contact Email or Company Website</th>
<th>Grand Division Preference</th>
<th>Special Needs and/or Elderly Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kgkier Company</td>
<td>M.A. Allgeese</td>
<td>214 South 8th Street, Suite 200</td>
<td>Louisville</td>
<td>Kentucky</td>
<td>40202</td>
<td>(502) 385-3652</td>
<td>(502) 385-7480</td>
<td><a href="mailto:kgkier@kgkiercompany.com">kgkier@kgkiercompany.com</a></td>
<td>E, M, W</td>
<td>Yes</td>
</tr>
<tr>
<td>Bowkent National Research</td>
<td>Patrick Bowen</td>
<td>175 E. Columbus Street, Suite 220</td>
<td>Pickerington</td>
<td>Ohio</td>
<td>41347</td>
<td>(614) 933-8300</td>
<td>N/A</td>
<td><a href="mailto:bowkent@bowkentnational.com">bowkent@bowkentnational.com</a></td>
<td>E, M, W</td>
<td>Yes</td>
</tr>
<tr>
<td>Donald White &amp; Associates, LLC</td>
<td>Donald White, M.</td>
<td>16001Starkey Lane</td>
<td>Knoxville</td>
<td>Tennessee</td>
<td>37932</td>
<td>(865) 599-1543</td>
<td>(865) 966-8052</td>
<td><a href="mailto:whiteapravasil@att.net">whiteapravasil@att.net</a></td>
<td>E and M</td>
<td>Yes</td>
</tr>
<tr>
<td>Fielder Group Market Research, LLC.</td>
<td>Elizabeth Rose Fielder</td>
<td>P.O. Box 22698</td>
<td>Lexington</td>
<td>Kentucky</td>
<td>40222-2698</td>
<td>(859) 276-0000</td>
<td>(859) 276-2302</td>
<td><a href="mailto:elfielder@fieldergroup.com">elfielder@fieldergroup.com</a></td>
<td>E, M, W</td>
<td>Yes</td>
</tr>
<tr>
<td>SAB Associates, Inc.</td>
<td>M. Scott Allen</td>
<td>7399 Sweet Home Road</td>
<td>Amherst</td>
<td>New York</td>
<td>14228</td>
<td>(716) 691-7100</td>
<td>(714) 681-7703</td>
<td><a href="mailto:sallen@sabgroup.com">sallen@sabgroup.com</a></td>
<td>E, M, W</td>
<td>Yes</td>
</tr>
<tr>
<td>Still Group, Inc.</td>
<td>Cash Gill</td>
<td>912 N. One Mile Road P.O. Box 784</td>
<td>Dexter</td>
<td>Missouri</td>
<td>63841</td>
<td>(573) 624-6614</td>
<td>(573) 624-2942</td>
<td><a href="mailto:cash.gill@pgi.com">cash.gill@pgi.com</a></td>
<td>E, M, W</td>
<td>Yes</td>
</tr>
<tr>
<td>Gibson Consulting, LLC</td>
<td>Thomas F. Gibson</td>
<td>4658 Youree Drive, Suite 180 PMB403</td>
<td>Shreveport</td>
<td>Louisiana</td>
<td>71105-4651</td>
<td>(318) 524-0177</td>
<td>(318) 524-0214</td>
<td>tfgibsonconsulting.com</td>
<td>E, M, W</td>
<td>Yes</td>
</tr>
<tr>
<td>Integra Realty Resources</td>
<td>J. Walter Allen</td>
<td>904 Oak Road, Suite HM</td>
<td>Memphis</td>
<td>Tennessee</td>
<td>38117</td>
<td>(901) 866-4934</td>
<td>(901) 767-4918</td>
<td><a href="mailto:allan@irr.com">allan@irr.com</a></td>
<td>E, M, W</td>
<td>Yes</td>
</tr>
<tr>
<td>John Wall and Associates</td>
<td>John Wall</td>
<td>P.O. Box 1199</td>
<td>Anderson</td>
<td>South Carolina</td>
<td>29622</td>
<td>(864) 261-1147</td>
<td>(864) 262-5728</td>
<td><a href="mailto:ace_of@bellinsoth.com">ace_of@bellinsoth.com</a></td>
<td>E, M, W</td>
<td>Yes</td>
</tr>
<tr>
<td>CR Appraisal Services</td>
<td>Laurie B. Kizer</td>
<td>1119 Wilderlee Lane</td>
<td>Knoxville</td>
<td>Tennessee</td>
<td>37923</td>
<td>(865) 591-2885</td>
<td>(865) 506-9905</td>
<td><a href="mailto:CRAppraisal.com@comcast.net">CRAppraisal.com@comcast.net</a></td>
<td>E, M, W</td>
<td>Yes</td>
</tr>
<tr>
<td>US Consulting Group, LLC</td>
<td>Lynne D. Sweet</td>
<td>223 NorthStreet</td>
<td>Newton</td>
<td>Massachusetts</td>
<td>02466</td>
<td>(617) 454-1144</td>
<td>(617) 454-1145</td>
<td><a href="mailto:usconsultinggroup@comcast.net">usconsultinggroup@comcast.net</a></td>
<td>E, M, W</td>
<td>Yes</td>
</tr>
<tr>
<td>Lea &amp; Company</td>
<td>Byron N. Lea</td>
<td>3721 Wrightwood Drive</td>
<td>Studio City</td>
<td>California</td>
<td>91604</td>
<td>(818) 914-1892</td>
<td>(818) 762-3906</td>
<td>N/A</td>
<td>E, M, W</td>
<td>Yes</td>
</tr>
<tr>
<td>Lexington Realty Service</td>
<td>Dale R. Musatti</td>
<td>7935 Harwood Avenue</td>
<td>Watwatosa</td>
<td>Wisconsin</td>
<td>53213</td>
<td>(414) 475-1775</td>
<td>(414) 475-1770</td>
<td>N/A</td>
<td>E, M, W</td>
<td>Yes</td>
</tr>
<tr>
<td>MacDonald Associates, Inc.</td>
<td>Yves Macdonald</td>
<td>P.O. Box 294</td>
<td>Bath</td>
<td>Maine</td>
<td>04430</td>
<td>(207) 443-3665</td>
<td>(207) 443-3665</td>
<td><a href="http://www.macdonaldassociates.com">www.macdonaldassociates.com</a></td>
<td>E, M, W</td>
<td>Yes</td>
</tr>
<tr>
<td>Market Analyst Professionals, LLC</td>
<td>Chris Vance</td>
<td>2430 Washburn Ave. 5</td>
<td>Minneapolis</td>
<td>Minnesota</td>
<td>55410</td>
<td>(248) 515-0496</td>
<td>(248) 281-0389</td>
<td><a href="mailto:marketanalysis@rpg.com">marketanalysis@rpg.com</a></td>
<td>E, M, W</td>
<td>Yes</td>
</tr>
<tr>
<td>Mitchell Market Analysts, Inc.</td>
<td>Jennifer Atkinson</td>
<td>822 Fort Wayne Avenue</td>
<td>Indianapolis</td>
<td>Indiana</td>
<td>46204</td>
<td>(317) 687-2747</td>
<td>(317) 687-2748</td>
<td>N/A</td>
<td>E, M, W</td>
<td>Yes</td>
</tr>
<tr>
<td>National Land Advisory Group</td>
<td>Richard Barnett</td>
<td>2404 E Main Street</td>
<td>Columbus</td>
<td>Ohio</td>
<td>43209</td>
<td>(614) 545-3900</td>
<td>(614) 545-3900</td>
<td>landadvisorygroup.com</td>
<td>E, M, W</td>
<td>Yes</td>
</tr>
<tr>
<td>Kovalnik Company, LLP</td>
<td>Michalina M. Susnok</td>
<td>7377 Lakeside Parkway Suite 450</td>
<td>Alpharetta</td>
<td>Georgia</td>
<td>30009</td>
<td>(770) 867-3333</td>
<td>(770) 867-3366</td>
<td><a href="mailto:michalina.susnik@kovalnik.com">michalina.susnik@kovalnik.com</a></td>
<td>E, M, W</td>
<td>Yes</td>
</tr>
<tr>
<td>Real Property Research Group</td>
<td>Bob Lefenfeld</td>
<td>10400 Little Patuxent Parkway Suite 450</td>
<td>Columbia</td>
<td>Maryland</td>
<td>21044</td>
<td>(410) 772-0004</td>
<td>(410) 772-1110</td>
<td><a href="mailto:bob@frpg.net">bob@frpg.net</a></td>
<td>E, M, W</td>
<td>Yes</td>
</tr>
<tr>
<td>Shaw Research &amp; Consulting</td>
<td>Steven Shaw</td>
<td>P.O. Box 38</td>
<td>Bad Axe</td>
<td>Michigan</td>
<td>48413</td>
<td>(989) 415-3554</td>
<td>(989) 803-9904</td>
<td><a href="mailto:steveshaw@shawresearch.com">steveshaw@shawresearch.com</a></td>
<td>E, M, W</td>
<td>Yes</td>
</tr>
<tr>
<td>Vogt Santer Insights</td>
<td>Robert Vogt</td>
<td>868 W Goodale Boulevard</td>
<td>Columbus</td>
<td>Ohio</td>
<td>43211</td>
<td>(614) 334-3430</td>
<td>(614) 315-7509</td>
<td><a href="mailto:vsgoodale@att.net">vsgoodale@att.net</a></td>
<td>E, M, W</td>
<td>Yes</td>
</tr>
<tr>
<td>Woods Research, Inc.</td>
<td>James M. Woods</td>
<td>5209 Trinity Road</td>
<td>Columbus</td>
<td>South Carolina</td>
<td>29206</td>
<td>(603) 782-7700</td>
<td>(603) 782-2007</td>
<td><a href="mailto:woodsresearch@bel.com">woodsresearch@bel.com</a></td>
<td>E, M, W</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Updated 12/6/2010
2012 MULTIFAMILY TAX-EXEMPT BOND AUTHORITY PROGRAM
EXHIBIT 5
FAIR HOUSING ACT REQUIREMENTS

- See www.fairhousingfirst.org for complete information.
- The following are HUD recognized safe harbors identified at www.fairhousingfirst.org which, if met, indicate compliance with the Fair Housing Act’s design and construction requirements:

2. HUD Fair Housing Act Design Manual
8. International Building Code 2003, with one condition: effective February 28, 2005 HUD determined that the IBC 2003 is a safe harbor, conditioned upon ICC publishing and distributing a statement to jurisdictions and past and future purchasers of the 2003 IBC stating, "ICC interprets Section 1104.1, and specifically, the exception to Section 1104.1, to be read together with Section 1107.4, and that the Code requires an accessible pedestrian route from site arrival points to accessible building entrances, unless site impracticality applies. Exception 1 to Section 1107.4 is not applicable to site arrival points for any Type B dwelling units because site impracticality is addressed under Section 1107.7."

One of these eight must be referenced in the required certificates.

- Refer to www.fairhousingfirst.org for detailed information regarding the following seven basic design and construction requirements that must be met to ensure Fair Housing Act compliance:
  1. An accessible building entrance on an accessible route.
  2. Accessible common and public use areas.
  3. Usable doors (usable by a person in a wheelchair).
  4. Accessible route into and through the dwelling unit.
  5. Light switches, electrical outlets, thermostats and other environmental controls in accessible locations.
  6. Reinforced walls in bathrooms for later installation of grab bars.
  7. Usable kitchens and bathrooms.

- These requirements are stated in the fair housing Act, as amended, 42 U.S.C. 3604 (f)(3)(C).