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MEMORANDUM

TO: 2018 & 2019 Tax Credit Recipients

DATE: September 20, 2019

FROM: J. Benjamin Van Kleef

RE: 2019 Carryover Allocations and 2018 Carryover Certification

Posted today to the ADFA website are the following documents:

1. 2019 Carryover Allocation Application – Certification of Owner;
2. Exhibit A – Development Information Form;
3. Election Statement – Carryover; and
4. 2019 Carryover Certificate for 10% for 2018 awards.

Pursuant to Internal Revenue Code (“IRC”) Section 42 and the Authority’s 2019 Qualified Allocation Plan (“QAP”) and Guidelines, in order to receive an allocation from the 2019 state ceiling, each building that is part of the low-income housing development, must either place in service no later than December 31, 2019, or meet the carryover requirements of Section 42(h)(1)(E) of the IRC and related regulations.

For those buildings that will not be placed in service by December 31, 2019, in order for the Authority to issue a carryover allocation, the Owner must complete, execute and submit to the Authority the following carryover-allocation documents no later than 4:30 p.m. on December 6, 2019:

1. 2019 Carryover-Allocation Application – Certification of Owner;
2. 2019 Exhibit A – Development Information Form completed and returned in Word format;
3. 2019 Election Statement – Carryover, if appropriate; and
4. Sworn statement signed by Owner that all financial information remains as represented in the 2019 tax credit application.

For the developments which received an allocation from the 2018 state ceiling and must be placed in service by December 31, 2020, must complete the 2019 Carryover Certificate for 10% for 2018 Awards.

The above mentioned must be submitted to the Authority via email and hard copy. Email Multifamily.Housing@adfa.arkansas.gov, and provide the hard copy to J. Benjamin Van Kleef, 900 West Capitol Avenue, Suite 310, Little Rock, Arkansas 72201.

The following documentation, if not already provided to the Authority, **must be provided no later than 4:30 p.m. on December 6, 2019**, in order for the Authority to issue a carryover allocation:

1. Phase I Environmental Site Assessment (“ESA”) dated within six (6) months of December 6, 2019, unless a developer has already submitted it to ADFA.

Failure to meet the above requirements for reservation of 2019 low-income housing tax credits or the 2018 awarded developments 10% test will result in no allocation of credits and the return to the Authority of all tax credits awarded.