Tennessee Housing Development Agency

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N O T I C E

TO: All Recipients of an Allocation of 2009 Low-Income Housing Tax Credit
FROM: Multifamily Development Division
SUBJECT: 10% Test and 30% Test Deadlines
DATE: November 10, 2010

1. **For developments with an allocation of 2009 competitive Low-Income Housing Tax Credit only**
   a. The deadline to submit documentation to demonstrate satisfaction of the Low-Income Housing Tax Credit 10% Test, as referenced in Part X-B-3 of the 2009 Low-Income Housing Tax Credit Qualified Allocation Plan (the "2009 QAP"), is hereby extended to January 5, 2011. The 10% Test forms are available from the THDA web site at http://www.thda.org/rentdev/lihtc/09cocosttest.pdf. **Please note that the date by which the 10% Test must be satisfied is December 31, 2010.** The documentation submitted no later than January 5, 2011 must reflect that as of no later than December 31, 2010 at least 10% of the development's reasonably expected eligible basis and land cost has been expended.
   b. This applies to developments that originally received an allocation of 2009 Tax Credit and to developments that originally received an allocation of tax credits from a prior year but were permitted to return those tax credits and receive an allocation of 2009 Tax Credits.

2. **For developments that involve *both* 2009 competitive Low-Income Housing Tax Credit *and* Section 1602 Assistance Funds**
   a. The deadline to submit documentation to demonstrate satisfaction of the Section 1602 30% Test, as referenced in 31 CFR Part 32, remains January 5, 2011. The 30% Test forms are available from the THDA web site at http://www.thda.org/rentdev/tcap1602/E9-20903.pdf. **Please note that the date by which the 30% Test must be satisfied is December 31, 2010.** The documentation submitted no later than January 5, 2011 must reflect that as of no later than December 31, 2010 at least 30% of the development's reasonably expected eligible basis and land cost has been expended.
   b. THDA approval of the documentation submitted regarding the 30% test shall also serve as THDA approval that the requirements of the 10% Test, as referenced in Part X-B-3 of the 2009 QAP, have been met. It will not be necessary for developments described in this Section 2 to submit separate documentation for the 10% Test and the 30% Test.
   c. This applies to developments that originally received an allocation of 2009 Tax Credit with Section 1602 Assistance Funds and to developments that originally received an allocation of tax credits from a prior year but were permitted to return those tax credits and receive an allocation of 2009 Tax Credits with Section 1602 Assistance Funds.

If you have questions, please contact:

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Or

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