

GROSS RENT FLOOR ELECTION

In accordance with Revenue Procedure 94-57, the Internal Revenue Service will treat the gross rent floor in Section 42(g)(2)(A) as taking effect on the date Kentucky Housing Corporation (KHC) initially allocates* tax credits to the building. However, the IRS will treat the gross rent floor as taking effect on the building's placed-in-service date **IF** the owner designates that date instead and **so informs KHC prior to the placed-in-service date of the building.**

THIS IS A ONE-TIME ONLY, IRREVOCABLE ELECTION.

The undersigned owner hereby makes the following election with respect to the Gross Rent Floor Effective Date for each building in the project designed below:

- On date of initial allocation (or determination)
- On placed-in-service date

*If the proposed project is tax-exempt bond financed (as defined by the Internal Revenue Code), the IRS will treat the gross rent floor as taking effect on the date initially KHC initially issues a determination letter unless the owner designates that the placed-in-service date should be used.

Owner Signature

Date

Project Name

Owner Name (Print or Type)

Project Number

THIS ELECTION MUST BE RECEIVED BY KHC PRIOR TO THE PLACED-IN-SERVICE DATE OF ANY BUILDING IN THE PROJECT.

RECEIVED BY KENTUCKY HOUSING CORPORATION (Date Stamp):

