

KENTUCKY HOUSING CORPORATION

Federal Low Income Housing Tax Credit Program As defined in Section 42 of IRC Nonprofit Eligibility Questionnaire

A. General Information

Name of Development: _____

Name of Applicant: _____

Name of Nonprofit: _____

Nonprofit's Principal Place of Business (full address): _____

501(c)(3)

501(c)(4)

Exempt from taxation under 501(a)

Last Date of State Certification of CHDO (if applicable): _____

1. The purpose of this questionnaire is to determine whether the nonprofit is a "qualified nonprofit organization" under the Qualified Allocation Plan. A nonprofit organization shall not constitute a "qualified nonprofit organization" if the nonprofit organization is affiliated with or is controlled by a for-profit organization. To constitute a qualified nonprofit organization, throughout the compliance period, the nonprofit organization: (i) must include the fostering of low-income housing as one of its exempt purposes, (ii) must own an interest in the development, (iii) must materially participate (as defined in Section 469(h) of the Code) in the development and operation of the development, (iv) must comply with all other Sections of the Code applicable to nonprofit organizations, and (v) may not allow any of its net earnings to inure to the benefit of any member, founder, contributor, or individual.
2. Notwithstanding anything contained herein or elsewhere to the contrary, if a nonprofit organization joint ventures or participates in a development with a for-profit organization, the nonprofit organization shall not constitute a "qualified nonprofit organization": (i) within the meaning of this Allocation Plan unless the nonprofit organization at all relevant times, owns at least 51 percent of the profits, losses, capital, and other economic benefits to be derived from the joint venture and (ii) maintains at least 51 percent of the voting and management control of the joint venture. The term "joint venture" includes, without limitation, the general partnership interests of a partnership and the manager interests of a limited liability company.
3. The nonprofit must have been in existence at least one year, with affordable housing as one of its primary goals. It must submit at the time of application, Articles of Incorporation, Partnership Agreement or Operating Agreement, IRS documentation of its tax-exempt status (e.g. §501(c)(3) advance letter) ruling, and a complete signed original Nonprofit Questionnaire. If these documents were submitted at capacity review, they do not need to be duplicated at application.

4. Date of legal formation of nonprofit: _____ ; evidenced by the Articles of Incorporation.
5. Date of IRS 501(c)(3) or 501(c)(4) advance letter ruling determination letter: _____ ;
copy attached: Yes No

If no IRS determination letter is submitted, please explain why and provide the date of the nonprofit's current determination or advance ruling period.

6. Expected life (in years) of nonprofit: _____ years
Charitable purposes (must include provision of fostering low-income housing):

B. Nonprofit Involvement

1. Is the nonprofit assured of owning the requisite interest in the development (either directly or through a wholly-owned subsidiary) throughout the Compliance Period (as defined in §42(i) (I) of the Code)? Yes No

If yes, describe the nonprofit's ownership interests in detail and specify the percentage of ownership interests.

2. Is the nonprofit participating in the construction, rehabilitation, operation or management of the proposed development? Yes No

If yes, (i) describe the nature and extent of the nonprofit's proposed involvement in the construction or rehabilitation, operation, and management of the development and explain how the nonprofit meets the material participation test under Section 469(h) throughout the Compliance Period.

(ii) Describe the nature and extent of the nonprofit's involvement in the operation of the development throughout the Extended-Use Period (the entire time period of occupancy restrictions on the low-income units in the development).

Attach copies of all legal documents relating to 2 (i) and (ii).

3. Will the nonprofit receive a percentage of the total project developer fee?

Yes No

If yes, describe in detail the agreement for sharing the project developer fee and the percentage of the total developer fee the nonprofit organization will receive.

Project Owner/Applicant Signature

Date

Printed Name

Title

Nonprofit Organization Signature

Date

Printed Name

Title