

Applicable Fraction Worksheet

PROJECT NO.: KY-____-____ BUILDING NO.:_____

26 Code of the Federal Register (CFR) Section (c)(1)(B)(ii) states that the owner of a low-income housing project must certify at least annually to the Agency that, for the preceding 12-month period, there was no change in the applicable fraction [as identified in IRC Section 42 (c)(1)(B)] of any building in the project, or if there was a change, a description of that change. To comply with this requirement, complete the worksheet for EACH building which was NOT 100 percent occupied by qualified low-income tenants on December 31 of the reporting calendar year. Check NO, and provide an explanation for question number 2 on Exhibit A: Owners's Annual Certification of Compliance. Projects allocated tax credits on a non-100 percent basis should identify the percentage applicable to their project.

PREVIOUS LOW INCOME PORTION OF THE BUILDING:			
1.	Enter the low-income portion which was reported to the IRS as identified on Form 8609, Schedule A for this building on your previous year's tax return.	1.	_____
THE UNIT PERCENTAGE OF THE BUILDING:			
2.	Enter the number of low-income units in this building which were occupied by qualified low-income tenants on December 31 of the reporting calendar year. (Note: Include units which were vacant on December 31 of the reporting calendar year, but which were last occupied by a qualified low-income tenant.)	2.	_____
3.		3.	_____
4.	Enter the total number of rental units in this building, including both low income and market rate units. Do not count a manager's unit as a rental unit. Divide line 2 by line 3 and express as a fraction carried over to 4 decimal points (e.g. 50 percent = .5000).	4.	_____
THE FLOOR SPACE PERCENTAGE OF THE BUILDING:			
5.	Enter the total floor space of all low-income units identified on line 2.	5.	_____
6.	Enter the total floor space of all rental units identified on line 3.	6.	_____
7.	Divide line 5 by line 6 and express as a fraction carried out to 4 decimal points (e.g. 50 percent = .5000).	7.	_____
APPLICABLE FRACTION OF BUILDING:			
8	Enter the lessor of line 4 or line 7. This is the applicable fraction, or low-income portion for this building. NOTE: If line 8 is different from line 1, then the applicable fraction for this building has changed from the previous year. Answer NO to Question 2 of the Owner's Annual Certification of Compliance, and explain on the Owner's Annual Certification of Compliance the reason for the change.	8.	_____