



South Carolina State Housing Finance and Development Authority  
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### **Additional Resources for 2020 9% LIHTC Awards**

SC Housing will make resources available for 2020 awards facing a funding gap. SC Housing may award other resources in lieu of tax credits, determine the amount exceeds what is necessary to cover hard construction cost increases, and/or the property has the ability to increase other funding sources.

Requests are due no later than October 1, 2021 and must be submitted through the Secure File Exchange.

#### **Documentation required:**

1. Updated 2021 Tax Credit Application
  - Tab 9
  - Tab 10
  - Tab 10-A
  - Tab 10-G
  - Tab 12
  - Tab 13
  - Construction Cost Addendum (all items listed on the Construction Cost Addendum must be detailed, no lump sum line items will be allowed)
  - The revised proforma must show no more than 50% of the original fee as deferred or the amount available to be paid by cash flow by year 15.
  - The developer fee proposed in the original application may not increase and the deferred portion cannot decrease in the final cost certification.
2. Finalized construction bid(s)
3. Specifics of any potential value engineering
4. Final equity commitment letter(s)
5. Formal Request Memo
  - Funding Gap:* Detail the current funding gap based on the original tax credit award, updated development costs, and updated non-tax credit sources of funds. Describe attempts to increase equity pricing from the submitted application, increase loan amounts, and/or secure other sources of funding.
  - Changes Summary:* Note the change in the total construction hard costs as compared to the original application submission and explain the cause(s) of cost increases.
  - Timeline to Closing:* Detail the projected timeline to closing and construction commencement (if closing/commencement has not yet occurred).
6. Updated Loan and Equity Commitments

#### **Additional Credit Award Fees:**

SC Housing will charge a Reservation fee equal to 10% of any additional LIHTC allocated.

#### **Ramifications for Future 9% Competitive Round:**

For each \$1 of additional credit allocated, the award limitation will be reduced by \$1.50 for all members of the Development Team. The reduction will take effect with the next application submitted by any member of the Development Team.