

42

DAIC

FILED
BOOK **2003** PAGE **12731**

2003 DEC 31 PM 12:26

Carol Aivens

DODGE COUNTY
REGISTER OF DEEDS
COMPUTER GENERATED

287.00

**LAND USE RESTRICTION AGREEMENT
FOR LOW-INCOME HOUSING TAX CREDITS**

Between

NEBRASKA INVESTMENT FINANCE AUTHORITY,
as Authority

and

MDI LIMITED PARTNERSHIP #36,
as Owner

WHEN RECORDED RETURN TO:

Nebraska Investment Finance Authority
Suite 200
1230 O Street
Lincoln, NE 68508-1402
Attention: Executive Director

SUMMARY PAGE

Date:

THE OWNER -

Legal Name of Owner: MDI Limited Partnership #36
Type of Legal Organization: Limited partnership
State of Organization: Nebraska
Business Address of Owner: 1600 University Avenue, Suite 212, St. Paul, MN 55104-3825
Contact Person: Gary L. Stenson
Phone Number: (651) 523-1248
Fax Number: (651) 646-8947
E-mail address: gstenson@metroplains.com

THE PROJECT -

Name of Project: Power House Apartments
Project Address and Legal Description: (See Attached Exhibit A)
Total Number of Buildings: 1
Building Identification Number(s): NE-01-01601
Total Number of Units: 39
Total Number of LIHTC Units: 39
One unit is occupied by a resident manager: No
Cost of acquisition, construction and rehabilitation: \$5,221,442
Qualified Basis: \$4,876,274

TAX CREDIT INFORMATION -

Allocation of Housing Tax Credit Dollars: \$325,000
Occupancy Date: November 2003
Nonprofit Set-Aside: No
Project Subject to a Right of First Refusal: Yes, subject to a fair market value buyout option with MetroPlains Properties, Inc. as set forth in Section 8.20 of that certain Amended and Restated Agreement of Limited Partnership of MDI Limited Partnership #36 dated as of April 1, 2003

Income Election Set-aside for IRS purposes

Applicable Set-Aside Percentage(s):	40%
Applicable Income Percentage(s):	60%

Targeted Rent Levels

100% of the LIHTC units (39 units) will have overall rents affordable at or below 46.98% of the applicable area median income.

Required Number of Years From Occupancy Date: 45 years

Other conditions of targeting: As set forth in the tax credit application

Lender or Lenders: U.S. Bank National Association and Fremont Housing Authority

Section 1.	Definitions.....	2
Section 2.	Representation, Covenants and Warranties of the Owner	3
Section 3.	Residential Rental Project.....	4
Section 4.	Occupancy Restrictions	6
Section 5.	Term of Restrictions	8
Section 6.	Internal Revenue Service Notification.....	9
Section 7.	Covenants Run With the Land	10
Section 8.	Uniformity; Common Plan	10
Section 9.	Remedies; Enforceability.....	10
Section 10.	Amendment; Termination.....	11
Section 11.	No Conflict With Other Documents	11
Section 12.	Fees, Release and Indemnification	11
Section 13.	Severability	12
Section 14.	Notices	12
Section 15.	Governing Law	12
Section 16.	Termination.....	12
Section 17.	Counterparts.....	12
Section 18.	Subordination.....	12
EXHIBIT A	DESCRIPTION OF PROJECT SITE	
EXHIBIT B	QUALIFIED TENANT FORMS	
	TENANT INCOME CERTIFICATION	
	EMPLOYMENT VERIFICATION	
	CERTIFICATION OF ZERO INCOME	
	MILITARY PAY VERIFICATION	
	SOCIAL SECURITY VERIFICATION	
	VERIFICATION OF SOCIAL SERVICES	
	CHILD SUPPORT AND/OR ALIMONY CERTIFICATION	
	CHILD SUPPORT AND/OR ALIMONY VERIFICATION (SPOUSE)	
	PENSION OR WORKERS COMPENSATION VERIFICATION	
	VERIFICATION OF UNEMPLOYMENT BENEFITS	
	UNEMPLOYED AFFIDAVIT	
	INCOME VERIFICATION (FOR SELF-EMPLOYED PERSONS)	
	NEWLY SELF EMPLOYED INCOME VERIFICATION	
	UNDER \$5,000 ASSETS CERTIFICATION	
	VERIFICATION OF SECTION 8 HOUSING ASSISTANCE	
	STUDENT VERIFICATION	
EXHIBIT C	CERTIFICATE FOR CONTINUING PROGRAM COMPLIANCE	
EXHIBIT D	ANNUAL TAX CREDIT SUMMARY REPORT	

**LAND USE RESTRICTION AGREEMENT
FOR LOW-INCOME HOUSING TAX CREDITS**

THIS LAND USE RESTRICTION AGREEMENT (this "Agreement") is entered into as of the date set forth on the Summary Page hereof among the **NEBRASKA INVESTMENT FINANCE AUTHORITY** (the "Authority"), a body politic and corporate, not a state agency, but an independent instrumentality exercising essential public functions under the constitution and laws of the State of Nebraska, the **OWNER IDENTIFIED ON THE SUMMARY PAGE HEREOF** (the "Owner") and the Lender or Lenders identified on the Summary Page hereof (the "Lender").

WITNESSETH:

WHEREAS, the Authority has been designated by the governor of the State of Nebraska as the housing tax credit entity for the State of Nebraska for the allocation of low-income housing tax credit dollars; and

WHEREAS, the Owner is or shall be the owner of the rental housing development located and as described on the Summary Page hereof and in Exhibit A hereto (the "Project"); and

WHEREAS, the Owner has applied to the Authority for an allocation of low-income housing tax credit dollars to the Project in an amount not to exceed the amount set forth on the Summary Page hereof; and

WHEREAS, the Owner and the Project must continuously comply with Section 42 and other applicable sections of the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations promulgated thereunder (the "Regulations"); and

WHEREAS, compliance by the Owner and the Project with Section 42 of the Code is in large part within the control of the Owner; and

WHEREAS, the Authority is unwilling to allocate low-income housing tax credit dollars to the Project unless the Owner shall, by entering into this Agreement, consent to be regulated by the Authority in order that the Authority may enforce the occupancy restrictions and other covenants, terms and conditions of this Agreement in accordance with the Code and the Regulations; and

WHEREAS, the Owner has represented to the Authority in the Owner's Low Income Housing Tax Credit Application (the "Application") that the Owner shall lease at least the Applicable Set-Aside Percentage of the units in the Project to individuals or families whose income is the Applicable Income Percentage or less of area median gross income (including adjustments for family size) as determined in accordance with the Code ("Qualified Tenants"); and

WHEREAS, the Owner intends, declares and covenants that the regulatory and restrictive covenants set forth herein governing the use, occupancy and transfer of the Project shall be and

are covenants running with the land for the term stated herein and binding upon all subsequent owners of the Project for such term and are not merely personal covenants of the Owner.

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, and of other valuable consideration, the Owner and the Authority agree as follows:

Section 1. Definitions. Unless otherwise expressly provided herein or unless the context clearly requires otherwise, the terms defined above shall have the meanings set forth above the following terms shall have the respective meanings set forth below for the purposes hereof, and all words and phrases defined in Section 42 of the Code shall have the same meanings in this Agreement:

"Applicable Income Percentage" means the percentage stated in the Summary Page hereof as the percentage of area median gross income which may not be exceeded by individuals or families qualifying as Qualified Tenants.

"Applicable Set-Aside Percentage" means the percentage stated in the Summary Page hereof as the percentage of units in the Project to be leased to Qualified Tenants.

"Dwelling Units" means the units of multifamily residential rental housing comprising the Project.

"Functionally Related and Subordinate" means and includes facilities for use by tenants; for example, laundry facilities, parking areas and recreational facilities, provided that the same are of a character and size commensurate with the character and size of the Project.

"Occupancy Date" means the first day on which the Project is placed in service, as set forth on the Summary Page hereof.

"Project" means the Project Site and all buildings, structures, fixtures, equipment and other improvements now or hereafter constructed or located upon the Project Site.

"Project Site" means the real property described in Exhibit A attached hereto.

"Qualified Project Period" means a period beginning on the Occupancy Date and ending on the date which is the Required Number of Years after the Occupancy Date.

"Qualified Tenants" means and includes individuals and families whose income is equal or less than the Applicable Income Percentage of area median gross income (including adjustments for family size) as elected and determined in accordance with the Code and Regulations. Except as otherwise provided herein, the occupants of a unit shall not be considered to be of low income if any occupant is a student (as defined in Section 151(c)(4) of the Code). Notwithstanding the foregoing, a unit is not disqualified as a Qualified Unit merely because it is occupied (i) by a student receiving AFDC assistance under Title IV of the Social Security Act, (ii) by a student in a government-supported job training program, (iii) entirely by full-time students who are single parents and their children, provided such occupants are not dependents of another person or (iv) by full-time students who are married and file a joint return. The determination of whether an individual or family is a Qualified Tenant shall be made at least

annually on the basis of the current income of such occupants. Any unit occupied by an individual or family who is a Qualified Tenant at the commencement of occupancy shall continue to be treated as if occupied by a Qualified Tenant, provided that, should such Qualified Tenant's income subsequently exceed 140% of the applicable income limit, such tenant shall no longer be a Qualified Tenant if, after such determination of income, but prior to the next determination, any residential unit of comparable or smaller size is rented to a tenant who is not a Qualified Tenant.

"Qualified Unit" means a residential unit in the Project designated for occupancy by Qualified Tenants.

"Related Persons" means two or more persons related within the meaning of Section 147(a)(2) of the Code, including, but not limited to, familial and trust relationships, actual or attributed partnership interests, related corporations and certain corporate shareholders.

"Rent Restricted Unit" means a Dwelling Unit if the gross rent with respect to the Dwelling Unit does not exceed 30% of the imputed income limitation applicable to such Dwelling Unit (based on the number of bedrooms therein in accordance with Section 42(g)(2)(C) of the Code).

"Required Number of Years" means the number of years after the Occupancy Date on which the Qualified Project Period expires and as set forth on the Summary Page.

Section 2. Representation, Covenants and Warranties of the Owner. The Owner makes the following representations and warranties to induce the Authority to enter into this Agreement and further represents, warrants and covenants that:

(a) The Owner (i) is a legal organization as described on the Summary Page hereof organized under the laws of the state identified on the Summary Page thereof and is qualified to transact business under the laws of the State of Nebraska, (ii) has the power and authority to own its properties and assets and to carry on its business as now being conducted (and as contemplated by this Agreement) and (iii) has the full legal right, power and authority to execute and deliver this Agreement and to perform all the undertakings of the Owner hereunder.

(b) The execution and performance of this Agreement by the Owner (i) will not violate or, as applicable, have not violated any provision of law, rule or regulation or any order of any court or other agency or governmental body, (ii) will not violate or, as applicable, have not violated any provision of any indenture, agreement, mortgage, mortgage note or other instrument to which the Owner is a party or by which it or its property is bound and (iii) will not result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature.

(c) The Owner will, at the time of execution and delivery of this Agreement, have good and marketable title to the premises constituting the Project free and clear of any prior lien or encumbrance.

(d) There is no action, suit or proceeding at law or in equity or by or before any governmental instrumentality or other agency now pending or, to the knowledge of the Owner, threatened against or affecting it, or any of its properties or rights, which, if adversely determined, would materially impair its right to carry on business substantially as now conducted (and as contemplated by this Agreement) or would materially adversely affect its financial condition.

Section 3. Residential Rental Project. The Owner hereby agrees that the Project is to be developed, owned, managed and operated for the Qualified Project Period as "residential rental property," as such phrase is used in Section 42(d) of the Code, on a continuous basis during the Qualified Project Period. To that end, the Owner hereby represents, covenants, warrants and agrees as follows:

(a) the estimated cost (or final cost, if applicable) of the acquisition, construction and rehabilitation of the Project will be equal to or in excess of the amount set forth on the Summary Page;

(b) that the Project constitutes or will constitute "residential rental property," as defined in Section 42 of the Code and the Regulations, the rental units of which will be rented or available for rental on a continuous basis to members of the general public;

(c) if the Owner becomes aware of any situation, event or condition which would result in noncompliance of a Dwelling Unit, the Project or the Owner with Section 42 of the Code or the Regulations, the Owner shall promptly give written notice thereof to the Authority;

(d) that all of the Dwelling Units will be similarly constructed and that each Dwelling Unit in the Project shall contain separate and complete facilities for living, sleeping, eating, cooking and sanitation for a single person or a family (unless the Project qualifies as a single-room occupancy project or as transitional housing for the homeless pursuant to Section 42(i)(3) of the Code);

(e) that each building in the Project will remain suitable for occupancy taking into account all federal, state and local health, safety and building codes (or other habitability standards);

(f) that none of the Dwelling Units in the Project shall at any time be utilized on a transient basis (unless the Project qualifies as a single-room occupancy project or transitional housing for the homeless pursuant to Section 42(i)(3) of the Code); that none of the Dwelling Units in the project shall be leased or rented for a period of less than six months (unless the Project qualifies as a single-room occupancy project or transitional housing for the homeless pursuant to Section 42(i)(3) of the Code); and that neither the Project nor any portion thereof shall be used as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, hospital, sanitarium, nursing home, rest home, trailer park, trailer court, mobile home park or recreational vehicle park or by a cooperative housing corporation (as defined in Section 216(b)(1) of the Code);

(g) that once available for occupancy each Dwelling Unit in the Project must be rented or available for rental on a continuous basis to members of the general public on a nontransient basis (except for transitional housing for the homeless or single-room occupancy units provided under Section 42(i)(3)(B)(iii) and (iv) of the Code) for the Qualified Project Period;

(h) that the Dwelling Units in the Project shall be leased and rented to members of the general public in compliance with the Code and this Agreement, except for any units rented under the housing program pursuant to Section 8 of the United States Housing Act of 1937, as amended, which will be leased to eligible tenants in accordance with the constraints and regulations of such housing program;

(i) that the Project shall consist of one or more proximate buildings or structures located on a single tract of land which have similarly constructed units financed pursuant to a common plan (unless the Project qualifies as a scattered site project under Section 42(g)(7) of the Code), together with functionally related and subordinate facilities which shall be owned by the Owner or a Related Person;

(j) that the Owner shall not discriminate on the basis of race, creed, color, sex, sexual preference, age, handicap, marital status, national origin, familial status, source of income or disability in the lease, use or occupancy of the Project or in employment of persons for the operation and management of the Project;

(k) that the Owner will accept as tenants, on the same basis as all other prospective tenants, persons who are holders of vouchers or certificates for federal housing assistance payments for existing housing pursuant to Section 8 of the United States Housing Act of 1937 or a successor federal program, and, in connection therewith, the Owner will not apply tenant selection criteria to such voucher or certificate holders which are more burdensome than the criteria applied to any other prospective tenants;

(l) that the Owner will not discriminate against prospective tenants on the basis of their receipt of, or eligibility for, housing assistance under any federal, state or local program or on the basis that they have a minor child or children living with them;

(m) that the Owner will not knowingly take or permit to be taken any action which would have the effect, directly or indirectly, of subjecting the Owner of the Project to noncompliance with Section 42 of the Code and the Regulations;

(n) that the Owner (1) will not dispose to any person any portion of the Project to which this Agreement applies unless all of the Project is disposed of to such person and (2) may sell, transfer or exchange the entire Project at any time, but the Owner shall notify in writing and obtain the agreement of any buyer or successor or other person acquiring the Project or any interest therein that such acquisition is subject to the requirements of this Agreement. The Owner shall promptly notify the Authority of such transfer. This provision shall not act to waive any other restriction on such sale, transfer or exchange; and

(o) that the Owner (or its property manager with respect to the Project) shall attend in each year of the Qualified Project Period at least one of the property management/compliance monitoring sessions sponsored by the Authority.

Section 4. Occupancy Restrictions. For the purpose of satisfying the requirements of Section 42 of the Code, at least for the Qualified Project Period, the Owner hereby represents, covenants and agrees as follows:

(a) throughout the Qualified Project Period (excluding Dwelling Units not previously occupied), at least the Applicable Set-Aside Percentage of the completed Dwelling Units in the Project shall be both a Rent Restricted Unit and occupied solely by Qualified Tenants, prior to the satisfaction of which no additional units shall be rented or leased to any other tenants after initial rental occupancy of Dwelling Units by Qualified Tenants, as required by Section 42 of the Code. For purposes of satisfying the requirement that not less than the Applicable Set-Aside Percentage of the Dwelling Units be occupied by Qualified Tenants, no Qualified Tenant shall be denied continued occupancy because, after admission, the Qualified Tenant's family income exceeds the applicable qualifying income level set forth in the definition of "Qualified Tenant" herein. The Owner shall at all times during the Qualified Project Period maintain the percentage requirements of this Agreement by providing the next available units of comparable or smaller size to Qualified Tenants as needed to achieve compliance with the foregoing requirements. If necessary, the Owner shall refrain from renting Dwelling Units in the Project to persons other than Qualified Tenants in order to avoid violating the requirement that at all times during the Qualified Project Period at least the Applicable Set-Aside Percentage of the completed Dwelling Units in the Project shall be both a Rent Restricted Unit and occupied by Qualified Tenants;

(b) to obtain and maintain on file from each Qualified Tenant residing in the Project (which shall be obtained and updated each year during occupancy by such tenant), a copy of such tenant's executed Certification of Tenant Eligibility and Income Verification (attached hereto as Exhibit B or in such other form and manner as may be required by the applicable rules, regulations or policies now or hereafter promulgated by the Authority, the Department of the Treasury or the Internal Revenue Service (the "IRS")), as well as supporting documentation, which is subject to independent investigation and verification by the Authority and which shall be submitted to the Authority as set forth in (c) below;

(c) the Owner will immediately notify the Authority if at any time the Dwelling Units in the Project are not occupied or available for occupancy as provided above, and the Owner will prepare and submit to the Authority, not later than January 15 of each year following the first year of the credit period, a Certificate of Continuing Program Compliance (the form of which is attached hereto as Exhibit C) and an Annual Tax Credit Summary Report (the form of which is attached hereto as Exhibit D), both executed by the Owner stating the number of Dwelling Units of the Project which, as of the first date of each calendar year, were occupied by Qualified Tenants (or were deemed to be occupied by Qualified Tenants as provided in subparagraph (a) above for all or part

of such period), together with copies of annual Certifications of Tenant Eligibility and Income Verification (and supporting documentation) collected by the Owner;

(d) the Owner shall collect and keep records for each qualified low-income building in the Project that show for each year during the Qualified Project Period the following information for each building in the Project and retain such records for at least six years after the due date (with extensions) for filing the federal tax return for that year (provided, however, that the records for the first year of the Qualified Project Period must be retained for at least six years beyond the due date (with extensions) for filing the federal income tax return for the last year of the compliance period of the building):

(i) the total number of residential rental units in the building (including the number of bedrooms and the size in square feet of each residential rental unit);

(ii) the percentage of residential rental units in the building that are Qualified Units;

(iii) the rent charged on each residential rental unit in the building, including any utility allowances;

(iv) the number of occupants in each Qualified Unit and changes in the number of occupants in each Qualified Unit;

(v) the Qualified Unit vacancies in the building and information that indicates when and to whom the next available units were rented;

(vi) the annual income certification of each Qualified Tenant per Qualified Unit;

(vii) documentation to support each Qualified Tenant's annual income certification (for example, a copy of the Qualified Tenant's federal income tax return, Forms W-2 or verifications of income from third parties such as employers or state agencies paying unemployment compensation). Tenant income is to be calculated in a manner consistent with the determination of annual income under Section 8 of the United States Housing Act of 1937 ("Section 8") and not in accordance with the determination of gross income for federal income tax liability. In the case of a tenant receiving housing assistance payments under Section 8, the documentation requirement of this subsection 4(d)(vii) is satisfied if the public housing authority provides a statement to the Owner declaring that the tenant's income does not exceed the applicable income limit under Code Section 42(g);

(viii) the eligible basis and the Qualified Basis of the building at the end of the first year of the Qualified Project Period; and

(ix) the character and use of the nonresidential portion of the building included in the eligible basis of the building under Section 42(d) of the Code (e.g.,

tenant facilities that are available on a comparable basis to all tenants and for which no separate fee is charged for use of the facilities or facilities reasonably required by the project);

(e) that the Authority shall have the right to perform an on-site inspection of the Project throughout the Qualified Project Period, in addition to the requirement that the Owner submit to the Authority each year information on tenant income, supporting documentation and rent for each low-income unit as designated above;

(f) the form of lease to be used by the Owner in renting any units in the Project to Qualified Tenants shall provide for termination of the lease and consent by such person to immediate eviction proceedings in accordance with state law for failure to qualify as a Qualified Tenant, as applicable, as a result of any material misrepresentation made by such person with respect to his or her income, the failure to provide supporting income verification or failure by such person to annually update the Certification of Tenant Eligibility and Income Verification;

(g) to permit any duly authorized representative of the Authority, the Department of the Treasury or the IRS to inspect the books and records of the Owner pertaining to the incomes of the Qualified Tenants residing in the Project; and

(h) throughout the Qualified Project Period, to target rents, to comply with targeted rent levels and to comply all other conditions of targeting as set forth on the Summary Page hereof.

Section 5. Term of Restrictions.

(a) The term of the Occupancy Restriction set forth in Section 4 of this Agreement shall (i) commence on the Occupancy Date and (ii) end on the date which is the Required Number of Years after the Occupancy Date.

(b) Notwithstanding subsection (a) above, the Owner shall comply with the requirements of Section 42(h) of the Code relating to a 15-year extended use period (30 years total); provided, however, that, with respect to any building that is part of the Project, this Agreement shall terminate:

(i) on the date such building is acquired by foreclosure or instrument in lieu of foreclosure (including a deed of trust); or

(ii) if the Owner has properly requested in accordance with Code Section 42(h)(6) that the Authority assist in procuring a qualified contract for the acquisition of the low-income portion of such building and the Authority is unable to present a qualified contract one year after the date the written request was submitted to the Authority. Project Owner agrees that Section 42(h)(6)(E)(i)(II) of the Code shall not apply to, and shall not cause the termination of, the extended use period applicable to any building of the Project.

In the event foreclosure proceedings are initiated, the Authority shall receive notice of such foreclosure no less than 15 days prior to such foreclosure.

(c) Notwithstanding subsection (b) above, the Code Section 42 rent requirements shall continue for a period of three years following the termination of this Agreement. During such three-year period, the Owner shall not evict or terminate the tenancy of an existing tenant of any low-income unit other than for good cause and shall not increase the gross rent above the maximum allowed under Section 42 of the Code with respect to such low-income unit.

(d) If the Project experiences financial trouble it can request a waiver of the applicable rent restriction stated on the summary page (ii) of this document. The right to grant a rent restriction waiver is vested in the Executive Director of the Authority. A waiver will be based on the written evidence supplied by the owner which is evaluated and certified by an independent third-party CPA. The Authority may waive or adjust the specified rent restriction for a period not to exceed 36 months. After 30 months, a review of the current evidence will be conducted to determine if the waiver should be extended.

Conditions justifying a waiver of the rent restriction include, but are not limited to:

- (i) Extraordinary changes in operating expenses;
- (ii) Capital requirements necessary to maintain a safe, sanitary unit, suitable for occupancy; and
- (iii) Lender originated changes to financial conditions and debt arrangement that substantially impacts debt service coverage ratios.

Any dispute of the waiver decision by the Executive Director of the Authority can be appealed and settled by arbitration. The arbitration board shall consist of the following mutually acceptable representatives:

- (iv) A representative selected by the Executive Director of the Authority;
- (v) A representative selected by the Owner of the Project; and
- (vi) A representative from the American Arbitration Association (moderator or voting member).

Under no circumstances shall the waiver process provide an opportunity for a project to deviate from the rent restriction because of improved market conditions or for any reason other than an increase in the certain county area median income, without the prior approval of the Executive Director of the Authority.

Section 6. Internal Revenue Service Notification. In the event the Authority discovers any noncompliance of any provisions hereof, the Authority will immediately give written notice

to the Owner. The Owner shall have 60 days from the date of such notice (the "Correction Period") to correct such noncompliance. Following the Correction Period, the Authority will file with the IRS a copy of IRS Form 8823, explaining the nature of the noncompliance and whether or not such noncompliance has been corrected. Noncompliance includes, but is not limited to (1) failure to receive or failure to permit the Authority to inspect tenant income certifications, supporting documentation and rent records, (2) upon inspection, noncompliance with provisions of Section 42 of the Code, and (3) any change in the applicable fraction or eligible basis that would result in a decrease in the Qualified Basis. The Authority is authorized and entitled to do all acts necessary to comply with the monitoring and notification responsibilities set forth in Section 42(m)(1)(B)(iii) of the Code and any Regulations or other interpretations thereof by the IRS or the courts.

Section 7. Covenants Run With the Land. The Owner hereby declares its express intent that the covenants, restrictions, charges and easements set forth herein shall be deemed covenants running with the land and shall pass to and be binding upon the Owner's successors in title including any purchaser, grantee, owner or lessee of any portion of the Project and any other person or entity having any right, title or interest therein and upon the respective heirs, executors, administrators, devisees, successors and assigns of any purchaser, grantee, owner or lessee of any portion of the Project and any other person or entity having any right, title or interest therein. Each and every contract, deed or other instrument hereafter executed covering or conveying the Project or any portion thereof or interest therein shall contain an express provision making such conveyance subject to the covenants, restrictions, charges and easements contained herein; provided, however, that any such contract, deed or other instrument shall conclusively be held to have been executed, delivered and accepted subject to such covenants, regardless of whether or not such covenants are set forth or incorporated by reference in such contract, deed or other instrument. At the time of executing this Agreement, the Owner shall pay to the Authority all direct costs incurred or to be incurred by the Authority in causing this Agreement to be duly recorded (or the terms hereof to be incorporated into a deed to be duly recorded) in the office of public records in the County where the Project is located as an encumbrance upon the Project Site and the Authority agrees to deliver to the Owner a copy of the fully recorded document.

Section 8. Uniformity; Common Plan. The provisions hereof shall apply uniformly to the entire Project to establish and carry out a common plan for the use, development and improvement of the Project Site.

Section 9. Remedies; Enforceability. In the event of a violation or attempted violation of any of the provisions hereof, any one or more of the following may institute and prosecute any proceeding at law or in equity to abate, prevent or enjoin any such violation or attempted violation, or to recover monetary damages caused by such violation or attempted violation, the Authority or any governmental entity succeeding to the Authority's functions or any individual who meets the income limitation applicable under Section 42 of the Code (whether prospective, present or former occupant). The provisions hereof are imposed upon and made applicable to the Project and shall run with the land and shall be enforceable against the Owner and each purchaser, grantee, owner or lessee of the Project or any portion thereof or interest therein, at any time and from time to time, and the respective heirs, legal representatives, successors and assigns of the Owner and each such purchaser, grantee, owner or lessee. No delay in enforcing the provisions hereof as to any breach or violation shall impair, damage or waive the right of any

party entitled to enforce the same or obtain relief against or recover for the continuation or repetition of such breach or violation of any similar breach or violation thereof at any later time or times. In addition, if any violation of this Agreement has not been corrected on a timely basis, the Authority may impose quarterly reporting responsibilities pertaining to such matters as the Authority deems reasonable upon the Owner. Failure by an Owner to comply with any such reporting responsibilities shall constitute a violation of this Agreement.

Section 10. Amendment; Termination. The provisions hereof shall not be amended, revised or terminated (except as provided in Section 5 of this Agreement) prior to the stated term hereof except by an instrument in writing duly executed by the Authority and the Owner (or its successors in title) and duly recorded. The Authority's consent to any such amendment, revision or termination, other than a termination pursuant to Section 5 of this Agreement, shall be given only if (a) there shall be attached to the document evidencing such amendment, revision or termination an opinion of Owner's counsel satisfactory to the Authority that such amendment, revision or termination will not result in noncompliance of the Project or the Owner with Section 42 of the Code or (b) evidence satisfactory to the Authority has been filed with said Authority demonstrating that there has occurred an involuntary noncompliance caused by fire, seizure, requisition, change in federal law, action of a federal agency which prevents the Authority from enforcing this Agreement or condemnation or similar event. Notwithstanding the foregoing, this Agreement shall not terminate by reason of the aforementioned foreclosure, transfer of title by deed in lieu of foreclosure or other similar event or if the Owner or any Related Person or any person with whom the Owner has had family or business ties obtains ownership interest in the Project for federal tax purposes during the period in which the restrictions of this Agreement are or would be in effect.

Section 11. No Conflict With Other Documents. The Owner warrants that it has not executed and will not execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof and that, in any event, the requirements of this Agreement are paramount and controlling as to the rights and obligations herein set forth and supersede any other requirements in conflict herein.

Section 12. Fees, Release and Indemnification. The Owner agrees to pay the Authority as an application fee a nonrefundable fee, the greater of 1% of the annual credit requested or \$500. The Owner agrees to pay the Authority as a reservation/commitment fee the greater of 2% of the annual credit amount received or \$500. In addition, the Owner agrees to pay the Authority an allocation fee of 2% of the annual credit allocated and an annual fee equal to the greater of 2% of the annual credit allocated or \$500. Any extraordinary legal fees incurred by the Authority with respect to the Project will be paid by the Owner. The Owner hereby agrees to pay, indemnify and hold the Authority harmless from any and all costs, expenses and fees, including all reasonable attorneys' fees which may be incurred by the Authority in enforcing or attempting to enforce this Agreement, including, but not limited to (i) in the event that the various reports are not submitted as required hereunder and the Authority conducts an on-site inspection of the Owner's book and records and (ii) following any default on the part of the Owner hereunder or its successors, whether the same shall be enforced by suit or otherwise, together with all costs, fees and expenses which may be incurred in connection with any amendment to this Agreement or otherwise by the Authority at the request of the Owner (including, but not limited to, the reasonable fees and expenses of the Authority's counsel in

connection with any opinion to be rendered hereunder). The Owner agrees to release the Authority from any claim, loss, demand or judgment as a result of the allocation of tax credit dollars to the Project or the recapture of same by the IRS and to indemnify the Authority for any claim, loss, demand or judgment against the Authority as the result of an allocation of tax credit dollars to the Project or the recapture of same by the IRS.

Section 13. Severability. The invalidity of any clause, part or provision of this Agreement shall not affect the validity of the remaining portions thereof.

Section 14. Notices. All notices to be given pursuant to this Agreement shall be in writing and shall be deemed given when mailed by certified or registered mail, return receipt requested, to the parties hereto at the addresses set forth below or to such other place as a party may from time to time designate in writing:

Owner: to the name and address set forth on the Summary Page hereof

Authority: Nebraska Investment Finance Authority
Suite 200
1230 O Street
Lincoln, NE 68508
Attention: Executive Director

Section 15. Governing Law. This Agreement shall be governed by the laws of the State of Nebraska.

Section 16. Termination. Notwithstanding any other provisions hereof, this Agreement and the restrictions and other provisions hereunder shall terminate on the termination of the Qualified Project Period without any further action being taken by any party hereto.

Section 17. Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.

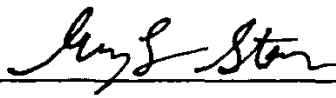
Section 18. Subordination. Owner has borrowed funds from Lender, and such amounts are secured by the Project. In order to ensure the viability of the Project's low-income housing tax credit dollars, Lender hereby agrees to subordinate its rights prior to foreclosure to the provisions of this Agreement throughout the term of this Agreement, as set forth in Section 5, and to the Vacancy Decontrol Rule following foreclosure.

**THIS AGREEMENT CONTAINS AN ARBITRATION PROVISION WHICH
MAY BE ENFORCED BY THE PARTIES.**

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed and sealed by their respective duly authorized representatives as of the day and year first written above.


MDI LIMITED PARTNERSHIP #36,
as Owner

By MetroPlains Properties, Inc., its general
partner

By 
Title _____

METROPLAINS PROPERTIES, INC., GENERAL PARTNER
GREGORY J. STAR, VICE PRESIDENT/SECRETARY


Attest:

By 
Secretary

NEBRASKA INVESTMENT FINANCE
AUTHORITY

By _____
Authorized Officer

U.S. BANK NATIONAL ASSOCIATION

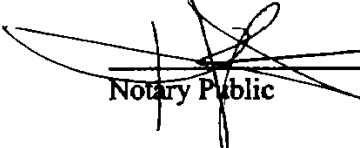
By 
Authorized Officer Christopher E. Erickson
Vice President

FREMONT HOUSING AUTHORITY

By _____
Authorized Officer

minnesota
STATE OF NEBRASKA)
COUNTY OF Ramsey) ss.

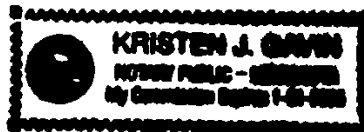
The foregoing instrument was acknowledged before me this 29th day of December, 2003 by Gary L. Stenson of MetroPlains Properties, Inc. for and on behalf of Owner.



Notary Public

My Commission expires: 1-31-05

STATE OF NEBRASKA)
COUNTY OF) ss.



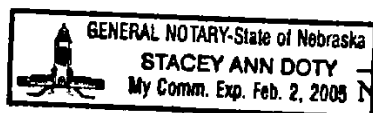
The foregoing instrument was acknowledged before me this ___ day of December, 2003 by an Authorized Officer of the Nebraska Investment Finance Authority.

Notary Public

My Commission expires: _____

STATE OF NEBRASKA)
COUNTY OF) ss.

The foregoing instrument was acknowledged before me this 30th day of December, 2003 by Christopher Erickson for and on behalf of Lender.





Notary Public

My Commission expires: _____

**THIS AGREEMENT CONTAINS AN ARBITRATION PROVISION WHICH
MAY BE ENFORCED BY THE PARTIES.**

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed and sealed by their respective duly authorized representatives as of the day and year first written above.

MDI LIMITED PARTNERSHIP #36,
as Owner

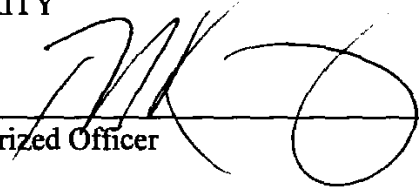
By MetroPlains Properties, Inc., its general
partner

By _____
Title _____

Attest:

By _____
Secretary


NEBRASKA INVESTMENT FINANCE
AUTHORITY

By  _____
Authorized Officer

U.S. BANK NATIONAL ASSOCIATION

By _____
Authorized Officer

FREMONT HOUSING AUTHORITY

By  _____
Authorized Officer

STATE OF NEBRASKA)
) ss.
COUNTY OF)

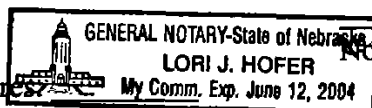
The foregoing instrument was acknowledged before me this ____ day of December, 2003
by _____ of MetroPlains Properties, Inc. for and on behalf of Owner.

Notary Public

My Commission expires: _____

STATE OF NEBRASKA)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this 23rd day of December, 2003 by
an Authorized Officer of the Nebraska Investment Finance Authority.



Lori J. Hofer

Notary Public

My Commission expires: _____

STATE OF NEBRASKA)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this ____ day of December, 2003
by _____ for and on behalf of Lender.

Notary Public

My Commission expires: _____

STATE OF NEBRASKA)
) ss.
COUNTY OF Dodge)

The foregoing instrument was acknowledged before me this 29th day of December, 2003
by Sue Klerder ~~for and on behalf of Lender.~~

Susan M. Scott
Notary Public

My Commission expires: 5-7-07

EXHIBIT A

DESCRIPTION OF PROJECT SITE
(including exact legal description)

Lots 1, 2, 3 and 4, Block 113, Original Town, now City of Fremont, together with all of the vacated alley between Lots 2 and 3 and the North one-half of the vacated alley adjacent to Lots 1, 2, 3 and 4 and the vacated alley between Lots 2 and 3 on the South, Dodge County, Nebraska

EXHIBIT B
QUALIFIED TENANT FORMS

TENANT INCOME CERTIFICATION

☐ Initial Certification ☐ Recertification ☐ Other _____

Effective Date: _____
Move-in Date: _____
(MM/DD/YYYY)

PART I. DEVELOPMENT DATA		
Property Name: _____	County: _____	BIN #: _____
Address: _____	Unit Number: _____	# Bedrooms: _____

PART II. HOUSEHOLD COMPOSITION						
Hshld Mbr #	Last Name	First Name & Middle Initial	Relationship to Head of Household	Date of Birth (MM/DD/YYYY)	F/T Student (Y or N)	Social Security or Alien Reg. No.
1			HEAD			
2						
3						
4						
5						
6						
7						

PART III. GROSS ANNUAL INCOME (USE ANNUAL AMOUNTS)				
Hshld Mbr #	(A) Employment or Wages	(B) Soc. Security/Pensions	(C) Public Assistance	(D) Other Income
TOTALS	\$	\$	\$	\$
Add totals from (A) through (D), above – TOTAL INCOME (E):				\$

PART IV. INCOME FROM ASSETS				
Hshld Mbr #	(F) Type of Asset	(G) C/I	(H) Cash Value of Asset	(I) Annual Income From Asset
TOTALS:			\$	\$
Enter Column (H) Total		Passbook Rate		
If over \$5000 \$_____ X 2.00% =		(J) Imputed Income		\$
Enter the <u>greater</u> of the total of column I or J (imputed income).			TOTAL INCOME FROM ASSETS (K)	\$
(L) Total Annual Household Income From All Sources [Add (E) + (K)]				\$

HOUSEHOLD CERTIFICATION & SIGNATURES	
The information on this form will be used to determine maximum income eligibility. I/we have provided for each person(s) set forth in Part II acceptable verification of current anticipated annual income. I/we agree to notify the landlord immediately upon any member of the household moving out of the unit or any new member moving in. I/we agree to notify the landlord immediately upon any member becoming a full-time student.	
Under penalties or perjury, I/we certify that the information presented in this Certification is true and accurate to the best of my/our knowledge and belief. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of the lease agreement.	

Signature	(Date)	Signature	(Date)
Signature	(Date)	Signature	(Date)

PART V. DETERMINATION OF INCOME ELIGIBILITY

TOTAL ANNUAL HOUSEHOLD INCOME FROM ALL SOURCES: From (L) on previous page 1	\$	Household Meets Income Restriction at:	\$	RECERTIFICATION ONLY: Current Income Limit x 140%:
		<input type="checkbox"/> 60% <input type="checkbox"/> 50% <input type="checkbox"/> 40% <input type="checkbox"/> 30% <input type="checkbox"/> ____%		Household Income exceeds 140% at recertification: <input type="checkbox"/> Yes <input type="checkbox"/> No
Current Income Limit per Family Size:	\$			
Household Income at Move-in:	\$	Household Size at Move-in:		

PART VI. RENT

Tenant paid Rent	\$	Rent Assistance:	\$
Utility Allowance	\$	Other Nonoptional Charges:	\$
GROSS RENT FOR UNIT: (Tenant paid rent plus Utility Allowance & other nonoptional charges)	\$	Unit Meets Rent Restriction at:	
		<input type="checkbox"/> 60% <input type="checkbox"/> 50% <input type="checkbox"/> 40% <input type="checkbox"/> 30% <input type="checkbox"/> ____%	
Maximum Rent Limit for This Unit:	\$		

PART VII. STUDENT STATUS

ARE ALL OCCUPANTS FULL-TIME STUDENTS? <input type="checkbox"/> Yes <input type="checkbox"/> No	If yes, enter student explanation.* (Also attach documentation.)	*Student Explanation: 1 AFDC/TANF assistance 2 JTPA Program or equivalent 3 Single parent/dependent child 4 Married/Joint tax return
	Enter 1-4	

PART VIII. PROGRAM TYPE

Mark the program(s) listed below (a. thru e.) for which this household's unit will be counted toward the property's occupancy requirements. Under each program marked, indicate the household's income status as established by this certification/recertification.

a. Tax Credit <input type="checkbox"/>	b. HOME <input type="checkbox"/>	c. Tax Exempt <input type="checkbox"/>	d. AHDP <input type="checkbox"/>	e. _____ <input type="checkbox"/> (Name of Program)
See Part V above.	Income Status <input type="checkbox"/> ≤ 50% AMGI <input type="checkbox"/> ≤ 60% AMGI <input type="checkbox"/> ≤ 80% AMGI <input type="checkbox"/> OI**	Income Status <input type="checkbox"/> 50% AMGI <input type="checkbox"/> 60% AMGI <input type="checkbox"/> 80% AMGI <input type="checkbox"/> OI**	Income Status <input type="checkbox"/> 50% AMGI <input type="checkbox"/> 80% AMGI <input type="checkbox"/> OI**	Income Status <input type="checkbox"/> _____ <input type="checkbox"/> _____ <input type="checkbox"/> OI**

**Upon recertification, household was determined over-income (OI) according to eligibility requirements of the program(s) marked above.

SIGNATURE OF OWNER/REPRESENTATIVE

Based on the representations herein and upon the proofs and documentation required to be submitted, the individual(s) named in Part II of this Tenant Income Certification is/are eligible under the provisions of Section 42 of the Internal Revenue Code, as amended, and the Land Use Restriction Agreement (if applicable), to live in a unit in this Project.

SIGNATURE OF OWNER/REPRESENTATIVE

DATE

**INSTRUCTIONS FOR COMPLETING
TENANT INCOME CERTIFICATION**

The Tenant Income Certification form is to be completed by the owner or an authorized representative.

Part I – Development Data

Check the appropriate box for Initial Certification (move-in), Recertification (annual recertification) or Other. If Other, designate the purpose of the recertification (i.e., a unit transfer, a change in household composition or other state-required recertification).

Move-in Date Enter the date the tenant has or will take occupancy of the unit.

Effective Date Enter the effective date of the certification. For move-in, this should be the move-in date. For annual recertification, this effective date should be no later than one year from the effective date of the previous (re)certification.

Property Name Enter the name of the development.

County Enter the county (or equivalent) in which the building is located.

BIN # Enter the Building Identification Number (BIN) assigned to the building (from IRS Form 8609).

Address Enter the address of the building.

Unit Number Enter the unit number.

Bedrooms Enter the number of bedrooms in the unit.

Part II – Household Composition

List all occupants of the unit. State each household member's relationship to the head of household by using one of the following coded definitions:

H - Head of Household	S - Spouse
A - Adult co-tenant	O - Other family member
C - Child	F - Foster child(ren)/adult(s)
L - Live-in caretaker	N - None of the above

Enter the date of birth, student status and social security number or alien registration number for each occupant.

If there are more than 7 occupants, use an additional sheet of paper to list the remaining household members and attach it to the certification.

Part III – Annual Income

See HUD Handbook 4350.3 for complete instructions on verifying and calculating income, including acceptable forms of verification.

From the third-party verification forms obtained from each income source, enter the gross amount anticipated to be received for the twelve months from the effective date of the (re)certification. Complete a separate line for each income-earning member. List the respective household member number from Part II.

Column (A) Enter the annual amount of wages, salaries, tips, commissions, bonuses and other income from employment; distributed profits and/or net income from a business.

Column (B)	Enter the annual amount of Social Security, Supplemental Security Income, pensions, military retirement, etc.
Column (C)	Enter the annual amount of income received from public assistance (i.e., TANF, general assistance, disability, etc.).
Column (D)	Enter the annual amount of alimony, child support, unemployment benefits or any other income regularly received by the household.
Row (E)	Add the totals from columns (A) through (D), above. Enter this amount.

Part IV – Income From Assets

See HUD Handbook 4350.3 for complete instructions on verifying and calculating income from assets, including acceptable forms of verification.

From the third-party verification forms obtained from each asset source, list the gross amount anticipated to be received during the twelve months from the effective date of the certification. List the respective household member number from Part II, and complete a separate line for each member.

Column (F)	List the type of asset (i.e., checking account, savings account, etc.).
Column (G)	Enter “C” (for current, if the family currently owns or holds the asset) or “I” (for imputed, if the family has disposed of the asset for less than fair market value within two years of the effective date of (re)certification).
Column (H)	Enter the cash value of the respective asset.
Column (I)	Enter the anticipated annual income from the asset (i.e., savings account balance multiplied by the annual interest rate).
TOTALS	Add the total of Columns (H) and (I), respectively.

If the total in Column (H) is greater than \$5,000, you must do an imputed calculation of asset income. Enter the Total Cash Value, multiply by 2% and enter the amount in Column (J), Imputed Income.

Row (K)	Enter the greater of the total in Column (I) or (J).
Row (L)	Total Annual Household Income From all Sources. Add (E) and (K), and enter the total.

HOUSEHOLD CERTIFICATION AND SIGNATURES

After all verifications of income and or assets have been received and calculated, each household member age 18 or older must sign and date the Tenant Income Certification. For move-in, it is recommended that the Tenant Income Certification be signed no earlier than 5 days prior to the effective date of the certification.

Part V – Determination of Income Eligibility

Total Annual Household Income from all Sources	Enter the number from item (L).
Current Income Limit per Family Size	Enter the Current Move-in Income Limit for the household size.
Household income at move-in	For recertifications only. Enter the household income from the move-in certification. On the adjacent line, enter the number of household members from the

Household size at move-in	move-in certification.
Household Meets Income Restriction	Check the appropriate box for the income restriction that the household meets according to what is required by the set-aside(s) for the project.
Current Income Limit x 140%	For recertifications only. Multiply the Current Maximum Move-in Income Limit by 140% and enter the total. Below, indicate whether the household income exceeds that total. If the Gross Annual Income at recertification is greater than 140% of the current income limit, then the available unit rule must be followed.

Part VI – Rent

Tenant Paid Rent	Enter the amount the tenant pays toward rent (not including rent assistance payments such as Section 8).
Rent Assistance	Enter the amount of rent assistance, if any.
Utility Allowance	Enter the utility allowance. If the owner pays all utilities, enter zero.
Other nonoptional charges	Enter the amount of <u>nonoptional</u> charges, such as mandatory garage rent, storage lockers, charges for services provided by the development, etc.
Gross Rent for Unit	Enter the total of Tenant Paid Rent plus Utility Allowance and other nonoptional charges.
Maximum Rent Limit for this unit	Enter the maximum allowable gross rent for the unit.
Unit Meets Rent Restriction at	Check the appropriate rent restriction that the unit meets according to what is required by the set-aside(s) for the project.

Part VII – Student Status

If all household members are full-time* students, check “yes.” If at least one household member is not a full-time student, check “no.”

If “yes” is checked, the appropriate exemption must be listed in the box to the right. If none of the exemptions apply, the household is not tax credit eligible.

*Full time is determined by the school the student attends.

Part VIII – Program Type

Mark the program(s) for which this household’s unit will be counted toward the property’s occupancy requirements. Under each program marked, indicate the household’s income status as established by this certification/recertification. If the property does not participate in the HOME, Tax-Exempt Bond, Affordable Housing Disposition or other housing program, leave those sections blank.

Tax Credit	See Part V above.
HOME	If the property participates in the HOME program and the unit this household will occupy will count towards the HOME program set-asides, mark the appropriate box indicating the household’s designation.
Tax Exempt	If the property participates in the Tax Exempt Bond program, mark the appropriate box indicating the household’s designation.
ADHP	If the property participates in the Affordable Housing Disposition Program (AHDP), and this household’s unit will count towards the set-aside requirements, mark the appropriate box indicating the household’s designation.

Other

If the property participates in any other affordable housing program, complete the information as appropriate.

SIGNATURE OF OWNER/REPRESENTATIVE

It is the responsibility of the owner or the owner's representative to sign and date this document immediately following execution by the resident(s).

The responsibility of documenting and determining eligibility (including completing and signing the Tenant Income Certification form) and ensuring such documentation is kept in the tenant file is extremely important and should be conducted by someone well-trained in tax credit compliance.

These instructions should not be considered a complete guide on tax credit compliance. The responsibility for compliance with federal program regulations lies with the owner of the building(s) for which the credit is allowable.

EMPLOYMENT VERIFICATION

THIS SECTION TO BE COMPLETED BY MANAGEMENT AND EXECUTED BY TENANT

TO: (Name & address of employer)

Date: _____

RE: _____
Applicant/Tenant Name

Social Security Number

Unit # (if assigned)

I hereby authorize release of my employment information.

Signature of Applicant/Tenant

Date

The individual named directly above is an applicant/tenant of a housing program that requires verification of income. The information provided will remain confidential to satisfaction of that stated purpose only. Your prompt response is crucial and greatly appreciated.

Project/Owner/Management Agent

Return Form To:

THIS SECTION TO BE COMPLETED BY EMPLOYER

Employee Name: _____ Job Title: _____

Presently Employed: Yes _____ Date First Employed _____ No _____ Last Day of Employment _____

Current Wages/Salary: \$ _____ (circle one) hourly weekly bi-weekly semi-monthly monthly yearly other _____

Average # of regular hours per week: _____ Year-to-date earnings: \$ _____ through ____/____/____

Overtime Rate: \$ _____ per hour Average # of overtime hours per week: _____

Shift Differential Rate: \$ _____ per hour Average # of shift differential hours per week: _____

Commissions, bonuses, tips, other: \$ _____ (circle one) hourly weekly bi-weekly semi-monthly monthly yearly other _____

List any anticipated change in the employee's rate of pay within the next 12 months: _____ Effective date: _____

If the employee's work is seasonal or sporadic, please indicate the layoff period(s): _____

Additional remarks: _____

Employer's Signature

Employer's Printed Name

Date

Employer [Company] Name and Address

Phone #

Fax #

E-mail

NOTE: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

CERTIFICATION OF ZERO INCOME

(To be completed by adult household members only, if appropriate.)

Household Name: _____ Unit No. _____

Development Name: _____ City: _____

1. I hereby certify that I do not individually receive income from any of the following sources:

- a. Wages from employment (including commissions, tips, bonuses, fees, etc.);
- b. Income from operation of a business;
- c. Rental income from real or personal property;
- d. Interest or dividends from assets;
- e. Social Security payments, annuities, insurance policies, retirement funds, pensions or death benefits;
- f. Unemployment or disability payments;
- g. Public assistance payments;
- h. Periodic allowances such as alimony, child support or gifts from persons not living in my household;
- i. Sales from self-employed resources (Avon, Mary Kay, Shaklee, etc.);
- j. Any other source not named above.

2. I currently have no income of any kind, and there is no imminent change expected in my financial status or employment status during the next 12 months.

3. I will be using the following sources of funds to pay for rent and other necessities: _____

Under penalty of perjury, I certify that the information presented in this certification is true and accurate to the best of my knowledge. The undersigned further understand(s) that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of a lease agreement.

Signature of Applicant/Tenant	Printed Name of Applicant/Tenant	Date
-------------------------------	----------------------------------	------

MILITARY PAY VERIFICATION

TO: (Name & address of employer)

Date: _____

RE: _____

SS#: _____

The person listed has indicated that he or she is employed by the military. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy.

Sincerely,

LIHTC Project Manager

I hereby authorize the above-named management agent to make inquiries regarding my employment for the purpose of determining my eligibility for occupancy.

Signed: _____ Date: _____

THE FOLLOWING TO BE COMPLETED BY APPROPRIATE MILITARY OFFICIAL:

Gross Earnings anticipated over next 12 months: _____

Monthly Base Pay _____ Grade Level _____

BAQ _____ Probability of Continued Enlistment: _____

FED-RATE _____ Commuted Rations _____

Clothing Allowance _____ Other Special Pay _____

Hazardous Duty Pay _____ Total Monthly Entitlement _____

Total Annual Entitlement _____

Authorized Official Name and Title: _____

Signature _____ Date _____

Military Agency

Address _____ Phone _____

City _____

State _____ Zip _____

Please return form to:

SOCIAL SECURITY VERIFICATION

CLAIMANT NAME _____ DATE OF BIRTH _____

SOCIAL SECURITY # _____ S.S. CLAIM # _____

ADDRESS _____

I do hereby authorize the Social Security Administration to furnish to _____
(Development Name) information regarding the amount of the monthly payment made to me.

Signature: _____ Date: _____

Indicate information needed by checking spaces below:

_____ The gross amount of the monthly social security benefit is \$ _____.

 The amount deducted for Medicare is \$ _____.

 The net amount of the social security check each month is \$ _____.

 The above amount became effective _____
 Month Year

_____ The monthly payment of the supplemental security income payment is \$ _____.

 The above amount became effective _____
 Month Year

_____ Other information needed (please specify on reverse side)

Complete only if you are unable to verify information requested:

_____ Claim Still Pending

_____ No record based on identifying information

_____ Other (see reverse side of form)

SIGNATURE AND TITLE OF AUTHORIZED SOCIAL SECURITY OFFICIAL:

DATE _____ PHONE NUMBER _____

PLEASE RETURN FORM TO:

VERIFICATION OF SOCIAL SERVICES

CLIENT: _____ DATE: _____

ADDRESS: _____

TO WHOM IT MAY CONCERN:

The client listed above has indicated that he or she is receiving income from your agency. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy.

Sincerely,

LIHTC Project Manager

I hereby authorize the above named management agent to make inquiries regarding my income for the purpose of determining my eligibility for occupancy.

Signed: _____ Date: _____

Detailed Budget Statement Provided _____

Monthly payment from this Agency: _____

AFDC _____ GA _____

Child Support Pass Through _____

Other _____

Other known income _____

Payments over the last 6 months _____

Remarks-Please indicate any anticipated changes in:

(1) The monthly payment: _____

(2) The family status of the Client: _____

Signature of Social Worker _____

Title _____

Date _____ Phone _____

PLEASE RETURN TO:

CHILD SUPPORT AND/OR ALIMONY AUTHORIZATION
(Completed by Clerk of Court)

TO: _____ Date: _____

RE: _____

The person listed above has indicated that he or she is receiving court ordered support. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy.

Sincerely,

LIHTC Project Manager

I hereby authorize the above-named management agent to make inquiries regarding my child support/alimony for the purpose of determining my eligibility for occupancy.

Signed: _____ Date: _____

This will certify that the above named person receives \$_____ per _____ in child support and \$_____ per _____ in alimony. (A copy of the account ledger may be substituted.)

Signature of Clerk of Court Official _____ Date _____

PLEASE RETURN FORM TO:

CHILD SUPPORT AND/OR ALIMONY VERIFICATION
(Completed by Spouse)

TO: _____ Date: _____

RE: _____

The person listed above has indicated that he or she is receiving court ordered support. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy.

Sincerely,

LIHTC Project Manager

I hereby authorize the above-named management agent to make inquiries regarding my child support/alimony for the purpose of determining my eligibility for occupancy.

Signed: _____ Date: _____

This will certify that I pay \$ _____ per _____ in child support to: _____
for the support of _____.

This will certify that I pay \$ _____ per _____ in alimony to: _____.

Signature of Former Spouse _____ Date _____

PLEASE RETURN FORM TO:

PENSION OR WORKERS COMPENSATION VERIFICATION

TO: _____ Date: _____

RE: _____
Client or Employee

TO WHOM IT MAY CONCERN:

The client listed above has indicated that he or she is receiving a payment from you. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy.

Sincerely,

LIHTC Project Manager

You are hereby authorized to furnish all information requested on this inquiry.

Signed: _____ Date: _____

Weekly _____ Monthly _____ Payments to Employee \$ _____

Weeks or amount still to be paid _____

Effective Date _____ Ending Date, if known _____

Retirement Pension Number _____

Current Gross Monthly Retirement Income \$ _____

Total Gross Pension Income expected for the next 12 months \$ _____

Remarks: (Please indicate any anticipated changes.) _____

By _____ Date _____

Title _____ Phone _____

PLEASE RETURN FORM TO:

VERIFICATION OF UNEMPLOYMENT BENEFITS

RE: _____ CLIENT: _____

ADDRESS: _____

CLAIM NO. _____

The above individual has indicated he/she is receiving benefits from your agency. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy.

BY _____

TITLE _____

I hereby authorize the above named management agent to make inquiries regarding my household income for the purpose of determining my eligibility for occupancy.

Signed: _____ Date: _____

Weekly payments to client _____

Beginning date of payments _____ Ending date, if known _____

Is this client entitled to an extension of benefits? _____ If yes, for how long? _____

Remarks: _____

By _____ Date _____

Title _____ Phone _____

PLEASE RETURN FORM TO:

UNEMPLOYED AFFIDAVIT

This Affidavit is to be signed by all individuals 18 years of age and over when no income for them is indicated on the accompanying income certification.

Check as applicable:

- ☐ I am not presently employed but anticipate becoming employed within the next twelve (12) months.
- ☐ I am not presently employed, but I am aware of an employment start date of _____ at \$ _____ per _____.

Applicant/Resident Signature

Date

SELF-EMPLOYED INCOME VERIFICATION

I hereby attach copies of my individual federal and state income tax returns for the immediate preceding three calendar years for which such income tax returns could have been filed (or, if not filed, were not required to be filed) and certify that the information shown in such income tax returns is true and complete to the best of my knowledge.

Signature

Date

NEWLY SELF-EMPLOYED INCOME VERIFICATION

I have just recently become self-employed and have not filed a self-employment tax return as of the date of this affidavit. Based on my past work experience, skill, income history and with adjustments to reflect circumstances anticipated within the next twelve months, I expect to earn \$_____ per year. This amount could be supported by written business plan figures and made available for inspection, if so requested. Under penalties of perjury, I certify that the foregoing information is true and correct to the best of my knowledge.

Signature

Date

UNDER \$5,000 ASSET CERTIFICATON

For households whose combined net assets do not exceed \$5,000.
Complete only one form per household; include assets of children.

Household Name: _____ Unit No. _____

Development Name: _____ City: _____

Complete all that apply for 1 through 4:

1. My/our assets include:

(A) Cash Value	(B) Int. Rate	(A+B) Annual Income	Source	(A) Cash Value	(B) Int. Rate	(A+B) Annual Income	Source
\$ _____	_____	\$ _____	Savings Account	\$ _____	_____	\$ _____	Checking Account
\$ _____	_____	\$ _____	Cash on Hand	\$ _____	_____	\$ _____	Safety Deposit Box
\$ _____	_____	\$ _____	Certificates of Deposit	\$ _____	_____	\$ _____	Money market funds
\$ _____	_____	\$ _____	Stocks	\$ _____	_____	\$ _____	Bonds
\$ _____	_____	\$ _____	IRA Accounts	\$ _____	_____	\$ _____	401K Accounts
\$ _____	_____	\$ _____	Keogh Accounts	\$ _____	_____	\$ _____	Trust Funds
\$ _____	_____	\$ _____	Equity in real estate	\$ _____	_____	\$ _____	Land Contracts
\$ _____	_____	\$ _____	Lump Sum Receipts	\$ _____	_____	\$ _____	Capital investments
\$ _____	_____	\$ _____	Life Insurance Policies (excluding Term)				
\$ _____	_____	\$ _____	Other Retirement/Pension Funds not named above:				_____
\$ _____	_____	\$ _____	Personal property held as an investment:				_____
\$ _____	_____	\$ _____	Other (list):				_____

PLEASE NOTE: Certain funds (e.g., Retirement, Pension, Trust) may or may not be (fully) accessible to you. Include only those amounts which are.

*Cash value is defined as market value minus the cost of converting the asset to cash, such as broker's fees, settlement costs, outstanding loans, early withdrawal penalties, etc.

**Personal property held as an investment may include, but is not limited to, gem or coin collections, art, antique cars, etc. Do not include necessary personal property such as, but not necessarily limited to, household furniture, daily-use autos, clothing, assets of an active business or special equipment for use by the disabled.

2. ☐ Within the past two (2) years, I/we have sold or given away assets (including cash, real estate, etc.) for more than \$1,000 below their fair market value (FMV). Those amounts are included above and are equal to a total of \$_____ (\$ the difference between FMV and the amount received, for each asset on which this occurred).
3. ☐ I/we have not sold or given away assets (including cash, real estate, etc.) for less than fair market value during the past two (2) years.
4. ☐ I/we do not have any assets at this time.

The net family assets (as defined in 24 C.F.R. 813.102) above do not exceed \$5,000 and the annual income from the net family assets is \$_____. This amount is included in total gross annual income.

Under penalty of perjury, I/we certify that the information presented in this certification is true and accurate to the best of my/our knowledge. The undersigned further understand(s) that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of a lease agreement.

_____ Applicant/Tenant	_____ Date	_____ Applicant/Tenant	_____ Date
---------------------------	---------------	---------------------------	---------------

VERIFICATION OF SECTION 8 HOUSING ASSISTANCE

CLIENT: _____ DATE: _____

ADDRESS: _____

TO WHOM IT MAY CONCERN:

The client listed above has indicated that he or she is receiving Section 8 assistance from your agency. Information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy.

Sincerely,

LIHTC Project Manager

I hereby authorize the above-named management agent to make inquiries regarding my income for the purpose of determining my eligibility for occupancy.

Signed: _____ Date: _____

Monthly payment towards rent: Housing Authority \$_____ Applicant \$_____

Number of persons in household _____

Housing Authority verifies that the annual income as calculated in a manner consistent with the determination of annual income under Section 8 does not exceed \$_____.

Signature _____ Date _____

Title _____ Phone _____

Please Return to:

STUDENT VERIFICATION

THIS SECTION TO BE COMPLETED BY MANAGEMENT AND EXECUTED BY STUDENT

This Student Verification is being delivered in connection with the undersigned's eligibility for residency in the following apartment:

Project Name: _____

Building Address: _____

Unit Number, if assigned: _____

I hereby grant disclosure of the information requested below from _____
Name of Educational Institution

Signature

Date

Printed Name

Student ID#

Return Form to:

THIS SECTION TO BE COMPLETED BY EDUCATIONAL INSTITUTION

The above-named individual has applied for residency or is currently residing in housing that requires verification of student status.
Please provide the information requested below:

Is the above-named individual a student at this educational institution? YES NO

If so, part-time or full-time? PART-TIME FULL-TIME

If full-time, the date the student enrolled as such: _____

Expected date of graduation: _____

I hereby certify that the information supplied in this section is true and complete to the best of my knowledge.

Signature: _____

Date: _____

Print your name: _____

Tel. #: _____

Title: _____

Educational Institution: _____

NOTE: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

EXHIBIT C
CERTIFICATION FOR CONTINUING PROGRAM COMPLIANCE

OWNER'S CERTIFICATE OF CONTINUING PROGRAM COMPLIANCE

To: Nebraska Investment Finance Authority
Suite 200
1230 O Street
Lincoln, NE 68508-1402

Certification Dates:	From: January 1, 20__	To: December 31, 20__
Project Name:	Project No.:	
Project Address:	City:	Zip:
Tax ID # of Ownership Entity:		

No buildings have been placed in service.

At least one building has been placed in service, but owner elects to begin credit period in the following year.

If either of the above applies, please check the appropriate box, and proceed to page 2 to sign and date this form.

The undersigned _____ on behalf of _____ (the "Owner"), hereby represents, warrants certifies that:

1. The Project meets the minimum requirements of: (check one)

20 - 50 test under Section 42(g)(1)(A) of the Code

40 - 60 test under Section 42(g)(1)(B) of the Code

15 - 40 test for "deep rent-skewed" projects under Sections 42(g)(4) and 142(d)(4)(B) of the Code
2. There has been no change in the application fraction (as defined in Section 42(c)(1)(B) of the Code) for any building in the Project:

NO CHANGE ☐ CHANGE ☐

If "Change," list the applicable fraction to be reported to the IRS for each building in the project for the certification year on page 3.
3. The Owner has received an annual Tenant Income Certification from each low-income resident and documentation to support that certification, or the Owner has a recertification waiver letter from the IRS in good standing, has received an annual Tenant Income Certification from each low-income resident and documentation to support the certification at their initial occupancy.

YES ☐ NO ☐
4. Each low-income unit in the Project has been rent-restricted under Section 42(g)(2) of the Code:

YES ☐ NO ☐
5. All low-income units in the Project are and have been for use by the general public (as defined in Treas. Reg. § 1.42-9) and used on a nontransient basis (except for transitional housing for the homeless provided under Section 42(i)(3)(B)(iii) of the Code):

YES ☐ NO ☐ HOMELESS ☐

6. No finding of discrimination under the Fair Housing Act, 42 U.S.C. 3601-3619, has occurred for this Project. A finding of discrimination includes an adverse final decision by the Secretary of Housing and Urban Development (HUD), 24 C.F.R. 180.680, an adverse final decision by a substantially equivalent state or local fair housing agency, 42 U.S.C. 3616a(a)(1), or an adverse judgment from a federal court:
☐ NO FINDING ☐ FINDING
7. Each building in the Project is and has been suitable for occupancy, taking into account local health, safety and building codes (or other habitability standards), and the state or local government unit responsible for making building code inspections did not issue a report of a violation for any building or low-income unit in the project:
☐ YES ☐ NO
- If "No," state the nature of violation on page 3 and attach a copy of the violation report as required by 26 C.F.R. 1.42-5 and any documentation of correction.
8. There has been **no change in the eligible basis** (as defined in Section 42(d) of the Code) of any building in the Project since last certification submission:
☐ NO CHANGE ☐ CHANGE
If "Change," state nature of change (e.g., a common area has become commercial space, a fee is now charged for a tenant facility formerly provided without charge, or the Owner has received federal subsidies with respect to the Project which had not been disclosed to the allocating authority in writing) on page 3.
9. All tenant facilities included in the eligible basis under Section 42(d) of the Code of any building in the project, such as swimming pools, other recreational facilities, parking areas, washer/dryer hookups and appliances were provided on a comparable basis without charge to all tenants in the buildings:
☐ YES ☐ NO
10. If a low-income unit in the Project has been vacant during the year, reasonable attempts were or are being made to rent that unit or the next available unit of comparable or smaller size to tenants having a qualifying income before any units were or will be rented to tenants not having a qualifying income:
☐ YES ☐ NO
11. If the income of tenants of a low-income unit in any building increased above the limit allowed in Section 42(g)(2)(D)(ii) of the Code, the next available unit of comparable or smaller size in that building was or will be rented to residents having a qualifying income:
☐ YES ☐ NO
12. An extended low-income housing commitment as described in Section 42(h)(6) of the Code was in effect, including the requirement under Section 42(h)(6)(B)(iv) of the Code that an owner cannot refuse to lease a unit in the project to an applicant because the applicant holds a voucher or certificate of eligibility under Section 8 of the United States Housing Act of 1937, 42 U.S.C. 1437s. Owner has not refused to lease a unit to an applicant based solely on its status as a holder of a Section 8 voucher and the Project otherwise meets the provisions, including any special provisions, as outlined in the extended low-housing commitment (not applicable to buildings with tax credits from years 1987-1989):
YES ☐ NO ☐ N/A ☐
13. The Owner received its credit allocation from the portion of the state ceiling set-aside for a project involving "qualified non-profit organizations" under Section 42(h)(5) of the Code and its nonprofit entity materially participated in the operation of the development within the meaning of Section 469(h) of the Code.
YES ☐ NO ☐ N/A ☐
14. There has been no change in the ownership or management of the Project:
NO CHANGE ☐ CHANGE ☐

If "Change," complete page 3 detailing the changes in ownership or management of the Project.

Note: Failure to complete this form in its entirety will result in noncompliance with program requirements. In addition, any individual other than an owner or general partner/member of the Project is not permitted to sign this form, unless permitted by NIFA.

The project is otherwise in compliance with the Code, including any Treasury Regulations, Nebraska’s Qualified Allocation Plan and all other applicable laws, rules and regulations. This Certification and any attachments are made UNDER PENALTY OF PERJURY.

(Ownership Entity)

By: _____

Title: _____

Date: _____

**PLEASE EXPLAIN ANY ITEMS THAT WERE
ANSWERED "NO," "CHANGE" OR "FINDING
ON QUESTIONS 1-14.**

[illegible]

CHANGES IN OWNERSHIP OR MANAGEMENT

(to be completed **ONLY** if "CHANGE" marked for Question 14 above)

TRANSFER OF OWNERSHIP

Date of Change:	
Taxpayer ID Number:	
Legal Owner Name:	
General Partnership:	
Status of Partnership (LLC, etc.):	

CHANGE IN OWNER CONTACT

Date of Change:	
Owner Contact:	
Owner Contact Phone:	
Owner Contact Fax:	
Owner Contact Email:	

CHANGE IN MANAGEMENT CONTACT

Date of Change:	
Management Co. Name:	
Management Address:	
Management city, state, zip:	
Management Contact:	
Management Contact Phone:	
Management Contact Fax:	
Management Contact Email:	

address

Allocation Year

Minimum Set-Aside Election: 20/50 or 40/60

Management Agent Name & Fed ID

E-mail:

[illegible]