

Date: March 4, 2025

To: Developers requesting 4% LIHTC in calendar year 2024

From: Project Finance Department
Idaho Housing and Finance Association (IHFA)

Subject: IHFA Guidance pertaining to the allocation of 2025 Volume Cap (VC)

Once IHFA receives notice from the State of Idaho of its allocation amount of multifamily VC for 2025, communication will be sent to the 2024 applicants providing ten (10) business days to update and/or modify applications and requests for 4% LIHTC.

Per the Policy and Rules Concerning Issuance of Bonds for Multifamily Projects, at least 50%, but not more than 55%, of the aggregate basis as determined under Section 42 in any building in the project and land upon which such building is located may be financed by tax-exempt bonds issued for the project.

Applications received by IHFA in the 2024 calendar year will be given consideration of an allocation of VC sufficient to fund the projects, per the outlined parameters above and the factors below, paired with an allocation of 4% LIHTC.

Factors that will be weighted, as determined by IHFA, in reviewing the allocations of 2025 VC:

- Project's readiness to proceed from the date of VC allocation. Preference will be given based on the following timelines in descending order:
 - Group 1 – projects that demonstrate the ability to close within 3 months
 - Group 2 – projects that demonstrate the ability to close within 6 months
 - Group 3 – projects that are unable to close within 6 months.
- The date on which a project requested an allocation of 4% LIHTC in calendar year 2024. Preference will be given to those that applied earliest.
- QAP 4% LIHTC score. Preference will be given to those with higher scores.
- Most efficient use of the VC. Preference will be given to those that produce more new affordable housing units per VC.
- Up to 25% of the total 2025 multifamily VC, or \$40,000,000, will be given to projects located outside of Ada and Canyon Counties.

Other considerations:

- Only one project will be considered per any one developer/sponsor. Should sufficient VC remain after awarding each developer/sponsor once, an additional project may be awarded.
- Project awards shall be limited to 40% of the total 2025 multifamily allocation of VC, or \$40,000,000, or a minimum amount required, at the sole discretion of IHFA, to meet the aforementioned parameters and fully fund the project, whichever of the foregoing amount is less.
- Preference for projects that produce more new affordable housing units shall be effective until July 1, 2025.
- Preference for projects located outside of Ada and Canyon Counties shall be effective until July 1, 2025.

All weights, considerations, percentages, and overall decisions are all at the sole discretion of IHFA.