

Term	Definition
Additional Low-Income Housing Commitment	The specified percentage of housing units that are both rent restricted and occupied by residents whose Income is at or below 50% of the Area Median Gross Income
Additional Low-Income Housing Use Period	With respect to a building, the period of <u>X</u> years beginning immediately following the end of the compliance period.
Adjusted Income	The adjusted gross income of all households which intend to occupy one residential unit, as calculated under the U. S. Department of Housing and Urban Development ("HUD") rule for such calculation, as amended from time to time.
Allocation	Maximum amount of credit available to the project as a result of an allocation of credit by the Funder, which will be apportioned to each qualified building at the time such building is placed-in-service.
Allowable Rent	The amount charged for a designated unit, which amount may not exceed 30% of the imputed income limitation applicable to such unit as determined annually by HUD using calculations based on the most recent fair market rents for the Portland-Vancouver-Beaverton, OR-WA Metropolitan Statistical Area. If the tenant separately pays utilities, then the maximum allowable rent shall be adjusted downward by the applicable utility allowance. For units with Project-Based Section 8 vouchers, the maximum allowable rent shall be determined by the formula set by the Housing Authority of Portland for Project-Based Section 8.
Annual Adjustment Factor	Section 8 of the U.S. Housing Act of 1937 provides for annual rent adjustments for housing units assisted under this section. HUD develops the rent adjustment factors, called AAFs, on the basis of Consumer Price Index (CPI) data on changes in residential rent and utility costs.
Annual Compliance Monitoring Fee	Annual fee imposed by the Funder on the Owner of a project for monitoring of its compliance with the Internal Revenue Code, the Tax Credit Program, the Credit Reservation and Carryover Allocation Contract (RAC) and the Extended Use Agreement.
Asset and Property Management Plan	The document submitted by Borrower, and approved by Lender, which defines the goals of the Borrower in developing the project, including general strategies that will be employed in pursuit of long term goals.
Capital Contribution	The total amount of money or the fair market value of other property (net of liabilities thereon) contributed or agreed to be contributed, as the context requires, to the Partnership by each Partner pursuant to the terms of the Regulatory Agreement. Any reference to the Capital Contribution of a Partner shall include the Capital Contribution made by a predecessor holder of the Interest of such Partner.
Carryover Allocation	An allocation pursuant to a Carryover Allocation Contract which is made with respect to a building or project pursuant to the Extended Use Internal Revenue Code.
Carryover Allocation Contract	An agreement entered into between the Owner and the Funder
Commitment Letter	That certain commitment letter dated <u>Some Date</u> , from Lender to Borrower relating to the Loan.
Consolidated Plan	A document written by a state or local government describing the housing needs of the low- and moderate-income residents, outlining strategies to meet these needs, and listing all resources available to implement the strategies. This document is required in order to receive HUD Community Planning and Development funds.
Credit Reservation	The reservation of a maximum amount of credit out of the credit ceiling to the project which will be available for allocation to such project and apportioned to each qualified building upon meeting the requirements of the Tax Credit Program and section 42 of the Internal Revenue Code. Note: a credit reservation is generally not granted if the project is a Qualified Tax-Exempt Bond-Financed project.

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Data Set	Electronic data sets maintained and available via HUD USER. Consists of American Housing Survey, HUD median family income limits, housing discrimination, HUD-insured multifamily housing stock, and public housing population information.
Development Agreement	The Development Agreement between the Partnership and the Developer relating to the development of the building(s) and providing for the payment of the Development Fee in accordance with the Limited Partnership Agreement.
Development Fee	The fee payable by the Partnership to the Developer pursuant to the Limited Partnership Agreement.
Equity Gap Agreement	The Equity Gap Agreement executed by Borrower and Lender in connection with the Loan.
Equity Gap Contribution Agreement	The Equity Gap Contribution Agreement executed by Borrower and Lender in connection with the Loan.
Extended Low-Income Housing Use Period	The period beginning with the first day in the compliance period in which such building is part of a qualified low-income housing project and ending on the date thirty years thereafter, unless terminated earlier under the provisions of the Extended Use Agreement.
Extended Use Agreement	The agreement entered into between the Partnership and the Agency (to be in effect on or before the end of the first taxable year in the 10-year Low-Income Housing Tax Credit period) providing for an "extended low-income housing commitment" as required pursuant to Section 42(h)(6) of the Internal Revenue Code.
Fair Market Rent (FMR)	Primarily used to determine payment standard amounts for the Housing Choice Voucher program, to determine initial renewal rents for some expiring project-based Section 8 contracts, to determine initial rents for housing assistance payment contracts in the Moderate Rehabilitation Single Room Occupancy program, and to serve as a rent ceiling in the HOME rental assistance program.
Fair Market Value	The amount of money that would probably be paid for a property in a sale between a willing seller, who does not have to sell, and a willing buyer, who does not have to buy
HUD Metro FMR Area	Indicates that only a portion of the OMB-defined core-based statistical area (CBSA) is in the area to which the income limits or FMRs apply.
Income Limit (IL)	Determines the eligibility of applicants for HUD's assisted housing programs.
IRS Form 8609	The Internal Revenue Service form titled "Low-Income Housing Credit Certification" issued with respect to a qualified building no later than the end of the calendar year that such building is placed-in-service.
Limited Partner(s)	The Investment Partnership and the Special Limited Partner, or any other Limited Partner in such person's capacity as a limited partner of the Partnership.
Loan Documents	The Loan Agreement, the Note, the Trust Deed and any other agreement executed by Borrower and Lender in connection with the Loan.
Loan Period	The period beginning on the first day after the Loan Agreement is executed and ending on the Maturity Date.
Low-Income Housing Tax Credit (LIHTC)	A tax incentive intended to increase the availability of low-income housing. The program provides an income tax credit to owners of newly constructed or substantially rehabilitated low-income rental housing projects.
Median Family Income (MFI)	The median gross income for the Portland, Oregon metropolitan statistical area as calculated in a manner consistent with the determination of median gross income for such area under Section 8 of the United States Housing Act of 1937, as amended (or, if such program is terminated, under such program as is in effect immediately before such termination).
Minimum Low-Income Housing Set-Aside	The minimum percent required under Section 42(g) of the Internal Revenue Code of housing units in the project to be both rent-restricted and occupied by residents whose income is at or below a certain percentage of Area Median Gross Income.

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Noncompliance	A failure to observe or perform any covenant, condition, or term of an agreement or the Credit Reservation and Carryover Allocation Contracts, or a failure to meet the requirements of the Tax Credit Laws, the Policies, or the Tax Credit Program.
Note	That certain promissory note of even date executed by Borrower in favor of Lender and evidencing the Loan.
Partnered Service Provider	An identified organization that enters into an agreement with Owner to identify and recruit prospective Qualified Tenants for the project, and to provide appropriate and on-going services to the Qualified Tenants as needed to maintain their housing stability. In some cases, the Partnered Service Provider and the Owner may be the same agency.
Partnered Service Provider Agreement	A signed agreement between the Owner and the Partnered Service Provider, and approved by BHCD, that includes (a) a definition of the specific target population for the project; (b) a service plan that addresses the needs of the target population; (c) a tenant placement plan specifying number of PSH Units reserved for service provider's right of first refusal and the process for filling those units; and (d) the term of agreement. The Partnered Service Provider Agreement (PSPA) will be signed on or before the certificates of occupancy for the project are issued. If Owner is acting as the Partnered Service Provider, it shall provide the information required in the PSPA to BHCD and PDC.
Permanent Housing	Housing with no limit on length of stay and no requirement that tenants move out so long as the tenant(s) is in compliance with their lease and the terms of the restrictive covenants applicable to the unit.
Permanent Supportive Housing (PSH)	A unit of Permanent Housing that is: (a) subject to restrictive covenants requiring that the unit be affordable to single individual households with incomes at or below 30% MFI or multiple individual households below 50% MFI, as defined by HUD and the restrictive covenants applicable to the unit; (b) with supportive services from a Partnered Service Provider, as defined in the Partnered Service Provider Agreement; and (c) as provided in the Agreement, occupied by a person who is, or was at the time of initial occupancy of the unit, a Qualified Tenant.
Placed in Service	a) for a new building or existing building, used as residential rental property, the date on which such building is ready and available for its specifically assigned function as evidenced by a certificate of occupancy or, b) for rehabilitation expenditures that are treated as a separate new building, the twenty four month period over which such rehab expenditures are aggregated
Proforma	The projection of project operations, over time, including analysis of use of cash flow and projected return on investment
Public Subsidy	Any government-sponsored credit, funding, or abatement, including but not limited to: loans; property tax or assessment abatements, credits, or reductions; taxable or tax exempt bonds; or grants including fee waivers.
Qualified Tax Credit Building	A building which meets the terms, conditions, obligations and restrictions of the Tax Credit Program, the Credit Reservation and Carryover Contract (RAC) of the Regulatory Agreement and Section 42 of the Internal Revenue Code for an allocation and the IRS Form 8609.
Real Estate Assessment Center (REAC)	Provides and promotes the effective use of accurate, timely, and reliable information assessing the condition of HUD's portfolio. REAC also provides information to help ensure safe, decent, and affordable housing. It is designed to restore the public trust by identifying fraud, abuse, and waste of HUD resources.
Regulatory Agreement	Any applicable Regulatory Agreement executed by Borrower and Lender in connection with the Loan.
Restriction Period	A period beginning on the first day after the Regulatory Agreement is signed, and ending on the latest of (i) <u>X</u> years after the execution date of the Agreement, or (ii) the date upon which any form of Public Subsidy to the project ceases

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Reserve Agreement	The Replacement Cost and Capital Improvement Reserve Agreement executed by Borrower and Lender in which Borrower agrees to establish and maintain a Replacement Cost and Capital Improvement Reserve Account ("Reserve Account").
Sources and Uses of Funding Budget	The amounts and sources of all funding for the development of the project and the loan budget approved by Lender in writing, as the same may be revised from time to time with the written consent of Lender.
Substantial Completion	The later of: (i) substantial completion of the entire Apartment Complex, as certified by the architect of the Apartment Complex, or (ii) the date that the Partnership receives all necessary certificates of occupancy (including temporary certificates of occupancy) from the applicable governmental jurisdiction(s) or authority(ies) for one 100% of the apartment units in the Apartment Complex.
Supportive Services	Comprehensive services offered to residents for the purpose of enhancing the residents' ability to meet the conditions of tenancy and achieve housing stability. Supportive services must be tailored to address the specific needs of each individual tenant. These services may be provided directly by the Partnered Service Provider or by arrangement with other service providers, with coordination and oversight provided by the Partnered Service Provider.
Tax Credit Compliance Period	The initial 15-year Low-Income Housing Tax Credit compliance period applicable to each building in the Apartment Complex, beginning with the first taxable year in which such building is placed in service or, at the election of the Partnership, the following taxable year.
Tax Credit Guaranty Fee	The fee payable to the Guarantors pursuant to the Tax Credit Guaranty Fee Agreement dated as of <u>Date</u> [different for each project] between the Partnership, the Guarantors and the Investment Partnership.
Tax Credit Guaranty Fee Period	Period begins to cumulate upon Substantial Completion and shall be earned only through the end of the Tax Credit Compliance Period. (Tax Credit Guaranty Fee Agreement, Section 1)
Trust Deed	That certain line of credit trust deed, security agreement, fixture filing, and assignment of leases of rents of even date herewith executed by Borrower, as Grantor, in favor of Lender, as Beneficiary, encumbering the project and securing the Loan.