

ANNEX E: BINDING COMMITMENT FOR SUBSEQUENT YEAR

BINDING COMMITMENT FOR A CERTIFICATE OF RESERVATION FOR A LOW INCOME HOUSING TAX CREDIT ALLOCATION IN 20__

The Puerto Rico Housing Finance Authority (**PRHFA** or **Allocating Agency**) hereby commits to reserving Low-Income Housing Tax Credits (**LIHTC**) pursuant to Section 42 (h)(1)(C) of the Internal Revenue Code of 1986, as amended (**Code**), by issuing this Binding Commitment:

1. Allocation Year: 20XX
2. Amount of Tax Credits to Be Reserved: \$ _____
3. Name and Address of the Project:
Name: _____
Address: _____

4. Residential Buildings in the Project: _____
5. Units in the Project: _____
6. Type of building (s):
 New Construction
 Existing Building
 Substantial Rehabilitation
7. Name, Address and Taxpayer Identification Number of Project Owner:
Name: _____
Address: _____

Identification Number: _____
8. Name and Address of Allocating Agency:

PUERTO RICO HOUSING FINANCE AUTHORITY
P.O. Box 71361
San Juan, P.R. 00936-8461

9. Date of this Binding Commitment: _____, 20XX.
10. Building Identification Numbers: **To Be Determined**
11. Project falls within one of the following categories (mark one):
- a. Credit is deemed necessary to facilitate the restructuring of financing provided to a project confronting economic difficulties.
 - b. Credit is deemed necessary to preserve the low-income housing status of the project or to maintain the total number of available low-income housing units in Puerto Rico.
 - c. Credit is requested in connection with the acquisition of a project from the government of Puerto Rico, or any department, agency, entity or political subdivision thereof.
 - d. Credit is requested in connection with a project using the Tax Credit Program as its only subsidy.
 - e. Project is part of a Community Revitalization Master Plan.
 - f. Due to unforeseen circumstances that PRHFA, at its sole discretion, believes are valid.
12. PRHFA commits itself to enter into a Carryover Allocation Agreement with the Project Owner in **20**__.
13. The Owner commits to achieve the Basic Threshold and Minimum Ranking Points as required in the 20__ Qualified Allocation Plan as well as to comply with any other pertinent law, rule, and regulation that may apply when the Project is submitted for evaluation. The Owner also commits to pay the applicable processing fee of the annual tax credit requested.

PRHFA represents and warrants that this Binding Commitment is binding on PRHFA and its successors and assigns and that PRHFA is the housing credit agency for the Commonwealth of Puerto Rico. It is intended that this Binding Commitment shall serve as a commitment to reserve Tax Credits to the Project Owner, its successors and assigns, under Section 42(h)(1)(C) of the Code with respect to the Project and that the State Housing Credit Ceiling [as defined in Section 42(h)(3)(C) of the Code] shall be reduced in the **20**__ to reflect this commitment. Pursuant to Section 42(h)(1)(F) of the Code, the portion of the allocation which is to be allocated to each building in the Project shall be specified no later than the close of the calendar year in which each such building is placed in service and shall be reflected in IRS Forms 8609 for each such building. The Project Owner represents and warrants that no portion of the Project has been placed in service by the Project Owner in the calendar year, or prior to the calendar year, in which this Binding Commitment is made.

Owner agrees and acknowledges that all the terms, conditions, obligations and deadlines set forth in this Binding Commitment are requirements precedent to this reservation, and that the Project's failure to comply with all such terms and conditions will entitle the PRHFA, in its discretion, to revoke this reservation.

Agency: Puerto Rico Housing Finance Authority
P O Box 71361
San Juan, PR 00936-8461
COMMONWEALTH OF PUERTO RICO
ID Number: 66-0433752

By: _____
Executive Director

Commitment Date: _____, 20XX

Acknowledged, Agreed and Accepted:

Owner: _____
By: _____
Title: _____

Affidavit _____ :

Sworn to and subscribed before me by [name] , [title] of [name of General Partner] , General Partner of [name of Owner], of legal age, [legal status] and resident of _____, and [name] , Executive Director of Puerto Rico Housing Finance Authority, of legal age, [legal status] and resident of _____, both personally known to me.

In San Juan, Puerto Rico, on this _____, 20XX.

NOTARY PUBLIC

(SEAL)