

**Tab 38 Statement of Qualification for Tax Exempt Financing**

Applicants must describe how the financing structure and plan qualifies under Section 147 of the Internal Revenue Code. The description, at a minimum, should address these requirements of Section 147:

- Substantial user requirement
- Maturity may not exceed 120 percent of economic life
- Limitation on use for land acquisition
- Acquisition of existing property not permitted
- Public approval required for private activity bonds
- Restriction on issuance costs financed by issue

(The Agency may also require submission of an opinion of qualified counsel that the development qualifies as a tax-exempt qualified residential rental facility.)