

Submission Requirements for Processing Modification Requests

The Agency continues to see a substantial increase in the number and frequency of modifications to Low Income Housing Tax Credit applications after reservation. This is a contributing factor in the delay of various reviews. To help expedite reviews, the Agency is providing the supplemental guidance outlined below.

The Agency expects applications that receive a reservation to be positioned to move promptly to closing, especially for those that have requested consideration in ranking for the ability to proceed. For this reason, material changes to an application should not occur routinely. If a material change is necessary, applicants must submit a detailed explanation of the change and the reason it is required as part of a modification package.

Please consider the items listed below when determining how to handle potential application changes. The timing and submission requirements for a modification package, if needed, are also provided below.

1. **Modifications to an application will not be considered until the application review has been completed.** The application review is based **solely** upon the information contained in the initial application, except for any changes made by staff during underwriting and review.
2. Further, **a modification request will not be considered after the commitment (“60-day”) review has been completed.** Any modification request submitted after commitment approval may necessitate a subsequent presentation of the application to the pre-commitment committee.
3. The Agency strongly encourages applicants to submit a modification package only once all proposed changes are fully defined. Submitting a single comprehensive package, rather than multiple packages over an extended period, will reduce processing time and may also decrease applicable fees.
4. We strongly encourage that if you find it necessary to submit a modification package, that it be submitted at least 60 days prior to the equity and/or Agency loan closing. Failure to do so may result in either the closing being delayed and/or proceeding to a closing without the Agency’s approval. In doing so, it will be at your own risk.
5. A waiver of the closing deadline, extension fees, and/or any program deadline established in the reservation letter and/or guidelines will not be granted solely on the basis that a modification package is pending or under review.
6. Failure to meet the closing deadline and/or any program deadline established in the reservation letter and/or guidelines may result in the recapture of the Tax Credits and/or future applications for any Tax Credits or Agency Financing may be penalized in ranking or rejected from any individual or organization that fails to meet an established deadline date in any year.
7. **Hard copy submission of a modification package is required.** Electronic submissions may be provided to expedite review; however, a hard copy is still required for official documentation.

8. A modification package must include the following:
 - A. Completed Modification Request Checklist (attached)
 - B. A narrative, including:
 - a. A detailed explanation of the change(s).
 - b. Why it is necessary.
 - c. Why it was unknown at the time of initial application.
 - C. Supporting documentation (i.e. **ALL** applicable revised Core Application pages and/or Application Tabs and Exhibits)
 - D. Modification Fee: Refer to the Agency Fee Schedule in the most current QAP for the application modification fee amount, found at:

<https://www.phfa.org/mhp/developers/housingapplication.aspx>

Please Note: The Agency's review will be strictly limited to those changes outlined in the modification package request. It is the owner's responsibility to track and clearly detail any change to an application.

Agency approval is not inferred or implied by the submission of documents incorporating or reflecting an unapproved change (i.e. construction documents, schematics, email correspondence, etc.), or any discussion of modification.

As the applicant/owner, it is your responsibility to either follow through with the representations made in the initial application or obtain the Agency's review and written approval through the Application Modification process outlined above. Failure to do so may result in the reduction or recapture of Tax Credits and/or future application submissions being penalized or denied.

Application Modification Request Checklist

Development Name: _____ TC#: _____

- A. List each separate Application Tab # affected by any modification(s). Attach additional sheets if necessary.

Modification #	Application Tab #	Brief Description of Modification	Agency Use Only
			Approved (Y/N)

Agency Modification Fee: Refer to the Agency Fee Schedule in the most current QAP for the applicable modification fee amount, found at: <https://www.phfa.org/mhp/developers/housingapplication.aspx>

- B. On a separate page, attach a detailed narrative for each modification listed above. Include reason(s) for the modification and why it has changed or was undetermined at application.
- C. Include supporting documentation for each modification (i.e. applicable revised Core Application tabs, subsequent application tabs & exhibits, contracts, etc.)
- D. Check in the amount of \$ _____ for _____ modification request(s) is enclosed.
Modification package will not be reviewed until payment is received in full.

Note: The Agency's review will be strictly limited to those changes indicated above. It is the Owner's responsibility to track and clearly detail any change to the Application. Agency approval is not inferred or implied by the submission of documents incorporating or reflecting any unapproved change or any discussion of modification. As the Applicant / Owner, it is your responsibility to follow through with the representations made in the initial application or to obtain the Agency's review and **written approval through the Application Modification process. Failure to do so may result in the reduction or recapture of Tax Credits and/or future application submissions being penalized or denied.**

Development Name: _____ TC#: _____

B. On a separate page, attach a detailed narrative for each modification listed above. Include reason(s) for the modification and why it has changed or was undetermined at application.

Submitted By _____ Submission Date: _____

Phone _____ Email _____