

Kansas Housing Resources Corporation  
2005 Low Income Housing Tax Credit  
Carryover Allocation Agreement  
Pursuant to Section 42(h)(1)(E) of the Internal Revenue Code

This Carryover Allocation Agreement is an allocation of 2005 Low Income Housing Tax Credit ("Tax Credit") authority made pursuant to Section 42(h)(1)(E) of the Internal Revenue Code ("the Code"). This allocation is subject to the terms and conditions stated herein, including Exhibits A and B, and any legal documents which describe the project site attached as Exhibit C, which have been entered into between the Kansas Housing Resources Corporation and the Owner identified in paragraph 2 below, and is subject to the terms and conditions stated herein.

1. Identification of the Project ("the Project"):
  - a. Number of buildings in Project: \*\*\*\*\*
  - b. The address of the building(s) in the Project, or if none exists, a specific description of their location: (See Exhibit C)
2. The name, address, and Federal taxpayer identification number of the Project owner (the "Owner") to which this allocation is made is:

Name: \*\*\*\*\*  
Address (or location): \*\*\*\*\*  
City, State Zip: \*\*\*\*\*  
Identification Number: \*\*\*\*\*
3. The name and address of the housing Tax Credit allocating Corporation ("Corporation") making this allocation is:

Allocating Corporation Name: Kansas Housing Resources Corporation  
Address: 611 S. Kansas Avenue, Suite 300  
Topeka, KS 66603-3803
4. The taxpayer identification number of the Corporation is: 71-0950729
5. The date of this Carryover Allocation Agreement is: \*\*\*\*\*

Based on representations made by the Owner to the Corporation:

6. Housing Credit Dollar Amount

- (i) The annual housing credit dollar amount allocated to the Project is:  
\*\*\*\*
- (ii) Pursuant to Section 42(h)(1)(F) of the Code, an allocation of credit may be made on a project basis, and not later than the close of the calendar year in which the building is placed in service, the Corporation shall determine the portion of this allocation which is allocated to the buildings listed in Exhibit A.
  - [ ] The Owner has requested the Corporation to assign portions of this allocation to the individual buildings listed in Exhibit A, and has so indicated in the aforementioned exhibit.
  - [ ] The Owner has requested the Corporation, pursuant to Section 42(h)(1)(F), to assign portions of this allocation to specific buildings within the Project no later than the close of the calendar year in which the buildings are placed in service.
- (iii) This allocation is expressly conditioned upon satisfaction of the requirements of Section 42(h)(1)(E) of the Code and upon the terms and conditions set forth in this Carryover Allocation Agreement. Any excess credits not needed by the project at the time of the final project cost certification will be returned to the Corporation and treated as returned credits.

7. Owner's Total Reasonably Expected Basis

- (i) The Owner's total reasonably expected basis in the Project is: \$

8. The Owner's actual basis in the Project, and the percentage such basis bears to the total reasonably expected basis in the Project (from paragraph 7 above) are:

- (i) The Owner's actual basis as of the date of this Carryover Allocation Agreement is: \$
- (ii) Percentage of (i) to the total reasonably expected basis, from paragraph 7 above, in the project is:

9. The expected dates on which the Project buildings(s) will be placed in service are as shown in Exhibit A (must be on or before December 31, 2006).

Pursuant to Section 42(g)(2)(A) the owner has requested that the gross rent floor for the buildings described in Exhibit A herein shall take effect on the allocation date as shown in paragraph 5 above.

Pursuant to Section 42(g)(2)(A) the owner has requested that the gross rent floor for the buildings described in Exhibit A herein shall take effect on the placed in service dates.

10. The building identification number ("B.I.N.") for the Project building(s) to which an allocation is being made are as shown in Exhibit A.

11. Pursuant to Section 42(b)(2)(A)(ii)(I), the Owner and the housing credit Corporation may enter into an agreement as to the housing credit amount allocated to such Project.

If this box is checked, the Owner hereby irrevocably elects, pursuant to Section 42(b)(2)(A)(ii) of the Code, to fix the applicable credit percentage(s) for each building in the Project as the percentage(s) prescribed by the Secretary of the Treasury for the month set forth in paragraph 5, above, which is the month of this Carryover Allocation Agreement. The Corporation and the Owner acknowledge that this Carryover Allocation Agreement constitutes an agreement binding upon the Corporation, the Owner, and all successors in interest to the Owner as owners of the Project, as to the allocation of 2005 Tax Credit authority to the building(s) in the Project, subject to compliance by the Owner with the requirements of Section 42 of the Code and the additional requirements, if any, of the Corporation.

If this box is checked, the Owner has irrevocably elected, pursuant to Section 42(b)(2)(A)(ii) of the Code, in a separate binding agreement executed on \*\*\*, to fix the applicable credit percentage(s) for each building in the Project as the percentage(s) prescribed by the Secretary for the month of \*\*\*, 2005.

If this box is checked, the Owner has made no election pursuant to Section 42(b)(2)(A)(ii) of the Code, and accordingly, the applicable percentage for a building shall be that for the month in which the particular building is placed in service.

12. Owner acknowledges that all the terms, conditions, obligations, and deadlines set forth herein and in the Agreements and/or attached Exhibits constitute conditions precedent to this allocation, and that the Project's failure to comply with all such terms and conditions will entitle the Corporation, in its discretion, to deem this allocation to be canceled by mutual consent. After any such cancellation, Owner acknowledges that neither it nor the Project will have any right to claim credits pursuant to this allocation. The Corporation reserves the right, in its discretion, to modify and/or waive any such failed condition precedent.
13. Upon notification by the Owner that the building has been placed in service, the Corporation will issue an IRS Form 8609 to such building to the extent required by, and in accordance with, applicable Federal law then governing allocation of Tax Credits under Section 42 of the Code, but in any event a Land Use Restriction Covenant must be recorded in the county where the building is located by the end of the year in which the credit is first claimed. The total dollar amount of 2005 Tax Credit allocation reflected on such Form 8609 will not exceed the housing Tax Credit dollar amount allocated to the building(s) in paragraph 6 above.
14. In issuing this Tax Credit allocation, the Corporation has relied upon information provided and representations made by the Owner or the Owner's designee in connection with this allocation, and this allocation does not in any way constitute a representation, warranty, guaranty, advice, or suggestion by the Corporation as to the qualification of the Project for the Tax Credits, or the feasibility or viability of the Project, and may not be relied on such by any owner, developer, investor, tenant, lender, or other person, for any reason. In addition, the Corporation's acceptance of the certification described in Exhibit B does not constitute a representation as to the satisfaction of the requirements under Section 42(h)(1)(E) as binding on the part of the Internal Revenue Service.
15. This allocation is not transferable without the prior, written approval of KHRC.

The Owner hereby agrees and acknowledges that whether the ten percent (10%) requirement has been met and whether the Owner has provided sufficient evidence thereof may be subject to future determination by the Corporation or the Internal Revenue Service.

**Allocating Corporation: Kansas Housing Resources Corporation**

By \_\_\_\_\_ Date \_\_\_\_\_

Fred Bentley  
Director of Rental Housing

State of Kansas        )  
                                  ) SS:  
County of Shawnee    )

This Agreement was acknowledged, subscribed, and sworn to by Fred Bentley, Director of Rental Housing for the Kansas Housing Resources Corporation, before me, a notary public, on the \_\_\_\_\_ day of \_\_\_\_\_ 200\_\_.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

**Owner:**

By \_\_\_\_\_ Date \_\_\_\_\_

State of                 )  
                                  ) SS:  
County of                )

This Agreement was acknowledged, subscribed, and sworn to by \_\_\_\_\_, before me, a notary public, on the \_\_\_\_\_ day of \_\_\_\_\_ 200\_\_.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

**Exhibit A**

Project Name:

Building	1	2	3	4	5	6	Total
Building ID#	KS 04000	KS 04000	KS 04000	KS 04000	KS 04000	KS 04000	
Building Address or Site Description							X
Building Type: New Construct., Rehab Acquisition	New Construction	New Construction	New Construction	New Construction	New Construction	New Construction	X
Placed in Service Date							X
Reasonably Anticipated Eligible Basis	To Be Determined	To Be Determined	To Be Determined	To Be Determined	To Be Determined	To Be Determined	X
Estimated Applicable Fraction	100%	100%	100%	100%	100%	100%	X
Estimated Qualified Basis	To Be Determined	To Be Determined	To Be Determined	To Be Determined	To Be Determined	To Be Determined	X
Maximum Credit Percentage	To Be Determined	To Be Determined	To Be Determined	To Be Determined	To Be Determined	To Be Determined	X
Maximum Credit Allocated	To Be Determined	To Be Determined	To Be Determined	To Be Determined	To Be Determined	To Be Determined	X

## **EXHIBIT B**

### **Additional Conditions**

This Allocation is subject to the following additional conditions:

1. A Certified Public Accountant's opinion (or other professional determination satisfactory to the Corporation) demonstrating compliance with Section 42 of the Code and Internal Revenue Service carryover regulations, that at least ten percent (10%) of the Owner's total reasonably expected basis in the Project has been incurred by December 31, 2005, together with such other evidence as the Corporation shall deem necessary to permit it to make a determination that such requirement has been met. The certification shall be received by the Corporation by December 31, 2005.
2. Corporation shall receive on or before December 31, 2005, a copy of the recorded title to the real property as described in Exhibit C.
3. All of the terms and conditions of the reservation agreement between the parties hereto.

## **EXHIBIT C**

### **Legal Description**

The said real property subject to said Extended Use Agreement is situated within the State of Kansas, County of \*\*\*\*\* and is legally described as follows:

\*\*\*\*