

PREAPPLICATION PROCESS FOR ORDERING A MARKET STUDY FOR TAX EXEMPT BOND/4% CREDIT PROJECTS

The Georgia Department of Community Affairs 2008 QAP provides that:

For bond financed projects covered by the 2008 QAP (projects with a bond inducement date in 2008) DCA will commission the market study upon receipt of the application for tax credits. Applicants are encouraged to submit their applications as soon as possible after the bond allocation, in order to allow completion of the market study. However in all instances applications for 4% tax credits must be submitted no later 60 days prior to bond closing. Pre-Applications may be submitted for the purpose of DCA commissioning a market study for tax-exempt bond projects at any time utilizing the 2008 core application and instructions.

In order to expedite the completion of market studies, the following is a summary of the DCA preapplication process. Upon receipt of all required preapplication documentation, DCA will order a market study for the proposed project. The market study will be based on the documentation submitted by the Applicant. Market studies generally take approximately 3 – 4 weeks for completion. Initially, a preliminary copy of the report will be provided to the applicant for their review. If after review of the market study, the applicant determines that the market requires a change in the unit configuration or rent structure, an updated study may be required by DCA based on the new unit mix. The market study will be finalized after the applicant has had an opportunity to review the preliminary study and notifies DCA that no changes will be made to the unit mix or rent structure. The final market study may be included in the Applicant's tax credit application packet to DCA as evidence that the project has passed market study threshold requirements. The market study will only be considered, if the tax credit application is submitted to DCA within 60 days of the market study's final completion date. The submitted complete application must correspond to the information submitted in the preliminary application and include any changes or modifications to the proposed development incorporated in the market study and/ or established as part of the relocation plan for rehabilitation projects.

As part of the Preapplication process, the following documentation must be submitted*:

1. A hard copy and electronic copy of the DCA tax credit Application form with the following parts completed:
 - Project Information
 - Development Team
 - Projected Revenue & Expenses
 - Utility Allowances
2. Architectural Amenities Certification Form
3. Site plan of the project
4. Physical needs assessment (rehabilitation projects)
5. Tenant Relocation spreadsheet with current and forecasted rents in an excel format (rehabilitation projects)
6. Evidence of PBRA commitment
7. Any market information that the Applicant wants the market analyst to consider
8. Bond Application Fee (this fee will be applied to the formal 4% Bond application)

All Documentation should be submitted to the attention of Phyllis Carr, DCA Tax Credit Department. DCA reserves the right to request additional information required to accurately complete the market study at any time during the pre-application process.

*If the project is a scattered site, this information should be submitted for each site.