



NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY

Competitive 9% Low Income Housing Tax Credits (LIHTC)

Frequently Asked Questions (FAQs)

The FAQs are an opportunity to provide all applicants and the public with the same information to preserve the competitive integrity of the 9% LIHTC program. Following is a list of questions that have been sent to the LIHTC mailbox with regard to the 2022 competitive 9% application round.

Applicants are encouraged to check the website prior to submitting a question to the LIHTC mailbox. As questions and responses are added, the revision dates will appear at the top of this page and will be included in a different color font. Applicants are encouraged to check back periodically.

Please be advised that it remains the sole responsibility of the Applicant to review carefully, and comply with, the requirements of QAP regulations and to ensure that any application presented to the NJHMFA Tax Credit division is clear, unambiguous, and complete in all respects at the time of submission. Responses to FAQs are only examples of a theoretical application of a limited set of facts to a rule or rules. They are for guidance purposes only and are not agency regulations. If there is an inconsistency between the adopted Qualified Allocation Plan (QAP) and the responses to FAQs, then the QAP prevails. Until confirmed through final action of the Tax Credit Committee, responses presented in the FAQs are merely an aid and may not be relied upon as a recommendation, counsel, or expectation of an approval.

As a reminder, project-specific questions, including document review and/or confirmation of eligibility for threshold requirements or points, are not permitted.

Pre-Application Meetings

- Q: Will the Tax Credit division be scheduling 1-hour pre-application meetings prior to the 9% tax credit deadline, as has been previous practice?
- A: The Agency will not be scheduling pre-application meetings but will be responding to written questions sent to the LIHTC mailbox at: NJHMFAtaxcredits@njhmfa.gov. All questions and responses will be posted in the FAQs on the HMFA website, so all applicants have the benefit of the same information.

Development Cost Cap

- Q: Will projects applying for 9% LIHTC in the upcoming round have to adhere to the \$275,000 per unit total development cost cap for buildings of one to four residential stories?
- A: On June 30, 2022, the Members of the Agency Board voted to approve a 10% increase of limits on Total Development Costs to be put into effect for 2022 Low Income Housing Tax Credit applications (with certain permitted exclusions). The cost cap is as follows:
- \$302,500 per unit for buildings of one to four residential stories
 - \$330,000 per unit for buildings with five or six residential stories
 - \$357,500 per unit for buildings with over six residential stories

Successful Development Experience

- Q: For 2 points in the Successful Development Experience category, is the Property Management company required to have a portfolio of over 300 tax-credit units, or 300 units of any type (including tax-credit units)?
- A: The requirement is specific to a portfolio of over 300 tax credit units.