

The Owner has certified that each building within the project for which this allocation is being made represents a qualified building as defined in IRC Section 42(h)(1)(E)(ii) (i.e., it is part of a project in which the Owner's basis as of December 31, 2012 will be more than ten percent (10%) of said Owner's reasonable expected basis in the project as of December 31, 2012, and that each building will be placed in service by December 31, 2013.

Pursuant to IRC Section 42(h)(1)(F), an allocation of credit may be made on a project basis if the allocation is made to the project for a calendar year during the project period, the allocation only applies to buildings placed in service during or after the calendar year for which the allocation is made, and the portion of any such allocation which is made to any building in the project is specified not later than the close of the calendar year in which that building is placed in service. OHCS shall determine the portion of the allocation which is allocated to the buildings listed in Table A. The Owner shall timely provide to OHCS all information necessary for the assignment of basis in such buildings to enable OHCS to allocate the applicable portion of Tax Credits.

The expected dates on which the project building(s) will be placed in service are shown in Table A (must be on or before December 31, 2013).

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

Check and complete the paragraph below that applies:

_____ The Owner has represented and certified that as of December 31, 2011, the Owner will have an accumulated basis of at least \$(enter a number that is 10% of the most recent reasonably expected basis figures that are available from project sponsor, representing at least 10 percent (10%) of the reasonably expected basis of \$(enter expected basis from most recent reasonably expected basis figures available which would be normally the accountant's cost certification).

_____ The Owner's actual basis as of the date of this Carryover Allocation is \$(enter actual basis from cost cert), representing (enter percentage from cost cert) percent of the reasonably expected basis above.

_____ The Owner will represent and certify that as of December 31, 2012 the Owner will have an accumulated basis of at least \$(enter a number that is 10% of the most recent reasonably expected basis figures that are available from project sponsor, representing at least 10 percent (10%) of the reasonably expected basis of \$(enter expected basis from most recent reasonably expected basis figures available).

_____ The Owner's actual basis as of December 31, 2011 is expected to be \$(enter expected basis from most recent reasonably expected basis figures available), representing (enter percentage from cost cert) percent of the reasonably expected basis above.

_____ If the percentage representing the Owner's actual basis in the project as of this date is ten percent (10%) or less, then the Owner shall certify and demonstrate to OHCS by December 31, 2011 in a professional accounting or other documented certification acceptable to OHCS that more than ten percent (10%) of the reasonably expected basis in the project has been achieved prior to December 1, 2012.

The Owner acknowledges that OHCS' determination as to satisfaction of the ten percent (10%) requirement is not binding upon the Internal Revenue Service (the "IRS") and does not constitute a representation by OHCS to the Owner or any other party to that effect.

In issuing this Carryover Allocation, OHCS has relied upon the information submitted by the Owner. OHCS makes no representations or guarantees that Owner is legally eligible to receive and use the credit stated herein, such determination resting with the IRS.

OHCS disclaims, and Owner does hereby release OHCS from, responsibility for any adverse consequences to Owner under IRC Section 42 or otherwise because of Owner's receipt of, use of, or reliance upon this Allocation.

The Owner acknowledges, understands, and accepts that the requirements for the LIHTC Program (IRC Section 42) may change due to subsequent federal legislation or regulation.

This Carryover Allocation is non-transferable for use on another property or at a different location.

This Carryover Allocation is binding upon OHCS, the Owner, and all successors in interest to the Owner as Owners of the project, as to the allocation of 2011 tax credit authority to the Project, subject to compliance by the Owner with the requirements of IRC Section 42 and the requirements of OHCS.

To receive a Form 8609 used in claiming the credit, the Owner must construct, or substantially rehabilitate the building or buildings in the project in accordance with local building, health and safety codes and all applicable federal or state regulations, and certify to OHCS that the building(s) were Placed in Service by 8:00 A.M. of the weekday prior to December 31, 2013. The Owner must submit a separate Application Form reflecting actual Project costs and certification of those costs documented to the satisfaction of OHCS for each building placed in service. Timely submission of said certification to OHCS is essential, so that OHCS may issue the Form 8609 to the Owner in the calendar year that each building is placed in service. The owner will also be required to fill out and sign Part II of the Form 8609 required to be completed by the building owner for the first year of the credit period and return a copy (without Schedules and other supporting documents) to OHCS for the purposes of compliance monitoring. OHCS may complete Forms 8609 and hold said forms until such time that a Declaration of Land Use Restrictive Covenants is completed and recorded on the property as specified in the Reservation and Extended Use Agreement dated **(Insert date of Res & EUA)**.

CHECK ONE OF THE BOXES BELOW

If this box is checked, the Owner previously elected to fix the applicable credit percentage(s) pursuant to IRC § 42(b)(1)(A)(ii) in the Reservation and Extended Use Agreement dated **(enter the date of the Reservation)**. The applicable credit percentage(s) were **(enter the rate from the Reservation for the 4% credit, if applicable)%** and **(enter the rate from the Reservation for the 9% credit)%**, as outlined in the Reservation and Extended Use Agreement for this Project. The 9 percent applicable percentage floor for non-Federally subsidized new building(s) that are placed in service before December 31, 2013 is no less than 9% according to IRS Notice 2008-106 pursuant to Section 3002 of the Housing Assistance Tax Act of 2008 (Pub. L. 110-289).

If this box is checked, the Owner has made NO ELECTION pursuant to IRC Section 42(b)(1)(A)(ii), and accordingly, the applicable percentage for a building shall be that for the month in which the particular building is placed in service.

IRS Revenue Procedure 94-57 clarified gross rent floor for projects receiving credit allocations after September 23, 1994. The gross rent floor is the maximum allowable rent based on the income limit in effect when a building is first included in the determination of whether a project is a qualified low-income housing project. An owner may elect to establish the rent floor on the placed in service date if the owner

informs OHCS of this decision before that date. Otherwise, the IRS will treat the gross rent floor as having been established on the date of allocation.

If this box is checked, the owner elects to establish the gross rent floor on the placed in service date.

Reminder: If the owner **DOES NOT** elect to establish the gross rent floor on the placed in service date, then the gross rent floor will be determined based on the allocation date.

Owner acknowledges that all the terms, conditions, obligations, and deadlines set forth herein and the Reservation and Extended Use Agreement constitute conditions precedent to this allocation, and that the project's failure to comply with all such terms and conditions will entitle OHCS, 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 Tax Credits pursuant to this allocation. OHCS reserves the right, in its discretion, to modify and/or waive any such failed condition precedent.

If this box is checked, the project is being funded with Federal HOME dollars. The HOME funds WILL WILL NOT be considered Federal funds.

In issuing this Tax Credit Allocation, OHCS has relied upon information provided and representations made by the Owner or the Owner's designee in connection with this allocation. The allocation does not in any way constitute a representation, warranty, guarantee, advice, or suggestion by OHCS as to the qualification of the project for Tax Credits, or the feasibility or viability of the project, and may not be relied on as such by any Owner, developer, investor, tenant, lender, or other person, for any reason.

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

The Owner shall be responsible to sign and have notarized this allocation by the end of December, 2011, and return the original to OHCS **no later than** December 30, 2011 for OHCS execution.

The **(PROJECT OWNER)** hereby certifies that all information pertinent to Section 42 of the Internal Revenue Code, as amended, has been considered by the **(PROJECT OWNER)** in the determination of eligible basis for the **(PROJECT NAME)**. This consideration includes but is not limited to any rule changes, Private Letter Rulings, Technical Assistance Memoranda, considerations, IRS guidance, etc.

The **(PROJECT OWNER)** further certifies that its project accounting and legal professionals/representatives have also considered the above in their advice to and review of the **(PROJECT NAME)**.

SIGNATURE PAGE FOLLOWS

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ALLOCATING AGENCY:

By: _____

Date: _____

Jodi L. Enos, Tax Credit Programs Representative

Multifamily Housing Section

Oregon Housing and Community Services

725 Summer St NE Ste B, Salem, Oregon 97301-1266 Taxpayer ID Number 93-0952117-260100

STATE OF OREGON)

County of Marion)

This instrument was acknowledged before me this _____ day of _____, 20____,
by Jodi L. Enos, Tax Credit Programs Representative of Oregon Housing and Community
Services.

NOTARY PUBLIC FOR OREGON

My Commission Expires: _____

Acknowledged, agreed and accepted:

By: _____

Title: _____

Owner: _____

Date: _____

STATE OF _____)

County of _____)

This instrument was acknowledged before me this _____ day of _____, 20____,

by _____, who is the _____

of _____.

NOTARY PUBLIC FOR OREGON

My Commission Expires: _____

ALLOCATION MADE TO PROJECT NUMBER OR
 TABLE A - Project Basis Carryover Allocation

Building: Total by type	Enter total number of buildings, you can cite Residential: # Community: #
Type of Building	Enter either new construction or acquisition/rehabilitation
Building Identification Number	Enter the BIN #'s (i.e.: OR01-LastThreeDigitsOf ProjectNumber01)
Building Address or site Description	Enter the address of the project
Expected Placed In Service Date	Enter the expected placed in service date, no later than two years from the current year
Estimated Qualified Basis**	Enter the estimated qualified basis from the Sponsor's tax credit calculation page
Maximum Credit Percentage***	Enter the credit percentage elected, if known Note if the percentage is being locked at placed in service that the rate here is an estimate.
Maximum Credit Allowed	Enter the credit amount awarded

** The Estimated Qualified Basis is the product of the reasonably anticipated Eligible Basis and the estimated Applicable Fraction. For purposes of the Carryover Allocation, "reasonable expected basis" pursuant to Section 42(h)(1)(E)(ii) need not be the same as eligible basis and is computed for an entire project, rather than building-by-building.

*** Under IRC § 42(b)(1)(A)(ii) as enacted by the Section 3002 of the Housing Assistance Tax Act of 2008 (Pub. L. 110-289), and IRS Notice 2008-106, the 9 percent applicable percentage floor for non-Federally subsidized new buildings that are placed in service before December 31, 2013, applies. If no such election has been made, this credit percentage is an estimate for the purposes of making the Carryover Allocation.