

MEMORANDUM OF UNDERSTANDING

Between the
Rural Housing Service in Alabama
and
Alabama Housing Finance Authority

INTRODUCTION

The Rural Housing Service of the Rural Development mission area in Alabama, an Agency of the U.S. Department of Agriculture and hereinafter referred to as RHS, and Alabama Housing Finance Authority, a public corporation and independent instrumentality of the State, acting in its capacity as Administrator and allocating agency of the Low-Income Housing Tax Credit program for the State of Alabama, herein referred to as AHFA, wish to enter into the following Memorandum of Understanding (MOU) regarding the sharing of market information.

RHS administers a loan program authorized by Section 515 of the Housing Act of 1949, which provides financing for housing for very low- and low-income tenants in rural areas. The Section 515 program, and all programs administered by RHS, comply with all applicable Civil Rights laws. The Internal Revenue Service (IRS), through Section 42 of the Internal Revenue Code, provides housing credits to encourage the development of housing for very low- and low-income tenants which are administered through state or local housing credit agencies.

SCOPE OF THE AGREEMENT

Under this agreement, RHS, through its State Director for Rural Development (herein referred to as State Director), and AHFA agree to engage in cooperative efforts to determine whether a true market exists and whether proposed new projects to be funded from either agency will adversely impact existing low-income housing financed by the other agency.

PURPOSE

The purpose of this document is to establish the general conditions under which the State Director and AHFA agree to cooperate.

BOTH PARTIES AGREE:

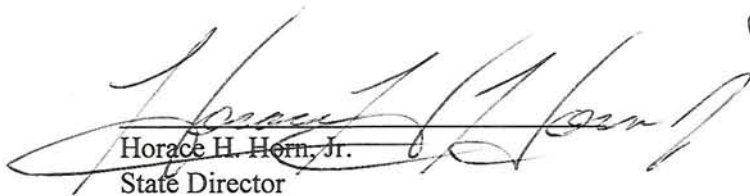
- (a) To share market information by using the Market Feasibility Study, which is attached as Exhibit A.
- (b) To complete Part I of the Market Feasibility Study when an application for funding is received.
- (c) To complete Part II of the Market Feasibility Study as requested, as soon and as accurately as possible.

PERIOD OF AGREEMENT

This agreement will remain in effect until terminated by written notification of either party.

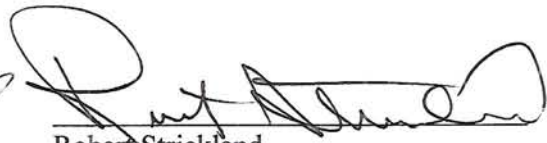
MODIFICATION OR AMENDMENT PROVISION

This agreement will be modified or amended by written agreement of RHS and AHFA. Requests for amendments to the agreement will be initiated by either of the two parties through written notification.



Horace H. Horn, Jr.
State Director
Rural Development

8/13/97
Date



Robert Strickland
Executive Director
Alabama Housing Finance Authority

8/14/97
Date

Market Feasibility Study

The Alabama Housing Finance Authority / Rural Development (*circle one*) has received an application for funding in the following location (*map and directions attached*):

Street Address: _____

City: _____ County: _____

We request your input as to the market feasibility and impact on **ALL** authorized or existing Alabama Housing Finance Authority / Rural Development (*circle one*) projects in this area. Please provide as much of the following information as possible, making additional copies as needed for each project.

PART I - To be completed by the organization to which application has been made

Project Type: <input type="checkbox"/> Family <input type="checkbox"/> Elderly <input type="checkbox"/> Mentally Ill <input type="checkbox"/> Other (<i>describe</i>): _____ _____	Unit Type	# Units	Proposed Rent	\$ Subsidy
	Efficiency			
	1 Bedroom			
	2 Bedroom			
	3 Bedroom			
	4 Bedroom			

PART II - To be completed by the organization asked for input

Project Name: _____ Age or Placed in Service Date: _____

Street Address: _____ Distance from Proposed Project: _____

City: _____ County: _____

Complex Manager: _____ Phone: _____

Project Type: Family Elderly Group Home Cooperative Mixed Congregate
 Other (*describe*): _____

Amenities: Washer/Dryer W/D Connections Microwave Disposal Playground
 Swimming Pool Basketball Court Dishwasher Other (*describe*): _____

Unit Type	# Units	# Baths	\$ Rent	# Units Subsidized	\$ Subsidy	# Vacancies
Efficiency						
1 Bedroom						
2 Bedroom						
3 Bedroom						
4 Bedroom						
TOTAL						

Vacancy % _____

General Comments (If you are concerned about an area, please provide specific information regarding problems you believe exist, such as unemployment rate, income levels, management problems, etc. Attach a separate sheet if necessary):