

Subsidy Layering Certification - Non-Standard M2M Transaction

Project Name: _____

The Restructuring Plan for the above referenced project was completed in accordance with the program standards contained in the M2M Operating Procedures Guide (OPG). Because the Plan involves significant additional sources of government assistance not contained in a standard M2M transaction such as tax credits and housing bonds, the Restructuring Plan warrants additional review to determine that the various financial assistance elements of the Plan meets HUD's subsidy layering requirements. The Restructuring Plan includes the following elements of financial assistance:

- A new first mortgage provided by: Specify source: _____
- Reuse of Interest Reduction Payments available from the existing S236 mortgage.
- A Partial Payment of Claim
- An extension of the existing project based Section 8 assistance.
- Low Income Housing Tax Credits
- Historic Tax Credits
- HOME funds
- Other Assistance: Specify nature and amount: _____

The multiple sources of financial assistance contained in the restructuring plan (the Sources) have been carefully reviewed against the project's hard and soft costs (the Uses). No overlaps of Sources and Uses were found. The public housing finance agency awarding the tax credits is required to perform a subsidy layering review, as is the local or state government agency providing HOME funds. In completing its subsidy layering analysis the (PAE) has consulted with these government agencies and has determined that the levels of financial assistance and the specific project uses meet the provider's published requirements and has also determined that their conclusions on subsidy layering issues are consistent with the conclusions certified below.

Pursuant to the subsidy layering review requirements contained in 24CFR401.481, the (PAE) has performed a subsidy layering review and has determined that the government assistance involved in the non standard debt restructuring referenced above is not more than is necessary to permit the project to house tenants with an income mix comparable to the income mix of the project before the Restructuring Plan is implemented. The (PAE), therefore, certifies that the Restructuring Plan developed for the project meets HUD's subsidy layering requirements.

Name of Official: _____

Title: _____

Signature of Official: _____

Date: _____