



Ohio Administrative Code

Rule 175-12-03 Single family tax credit eligibility.

Effective: April 12, 2024

(A) Only the project development owner or designee, as provided for in paragraph (A) of rule 175-12-02 the Administrative Code, may apply for a single-family tax credit for a qualified project.

(B) An application for a single-family state tax credit must include documentation that the qualified project consists of single-family dwelling(s).

(C) All rehabilitation project applications must meet applicable rehabilitation standards and include in the application a physical capital needs assessment and scope of work as provided for in the program plan and policies.

(D) To the extent project development owners are contributing capital or other assets to contribute to the affordability of a qualified project, evidence of such contribution must be provided at the time of application. Contributions of capital or other assets will be considered in the competitive criteria as set forth in the program plan and policies.

(E) Restrictive Covenant

(1) Each completed single-family dwellings shall be sold to a qualified buyer and include a restrictive covenant to the benefit of Ohio housing finance agency and the project development owner in a form as prescribed by the Ohio housing finance agency. Such restrictive covenant shall require the qualified buyer to remain in the single-family dwelling as their primary residence for the entire affordability period, as well as include provisions for the contingencies in the event of sale of the single-family dwelling, as prescribed in the plan.

(2) In the event of foreclosure, default, or homeowner abandonment, the project development owner shall make reasonable efforts to maintain affordability to the extent possible under law.

(F) The criteria to be used to determine whether an individual is a qualified buyer shall be defined in



the program plan and definitions contained in this rule chapter.

(G) Underwriting criteria:

(1) Applications shall be reviewed by the following underwriting criteria to assess the risk associated with application:

(a) Sum of estimated home sales, plus tax credit equity, and other construction financing must be sufficient to pay off the construction loan balance, after the final unit of a single-family dwelling is sold;

(b) The development team must meet the minimum experience and capacity requirements contained in the plan;

(c) The purchase price of the individual unit of single-family dwelling in the project cannot exceed the affordability for qualified homebuyers;

(d) Financing sources must be submitted in the application and have sufficient commitment to meet the criteria as set forth in the plan;

(e) The application must sufficiently demonstrate a market demand for the project;

(f) A marketing plan that must meet the minimum requirements outlined in the plan; and

(g) Any other requirements set forth in the application and the allocation plan.

(2) Limited exceptions to the underwriting criteria may be granted for good cause shown and supported by sufficient evidence. It is the discretion of the director to review and grant underwriting exceptions.

(3) Applications that do not meet the program underwriting requirements and are not granted a limited exception shall not be approved.