



# 2026 LIHTC Twinning Application Guide

## **Guidance & General Questions** (updated 12/15/2025)

The following guidance is provided to Project Sponsors seeking both 9% LIHTC and 4% LIHTC to finance two projects supporting a common development plan ("Common Development Plan").

Review the below carefully to see if any of your questions may be answered. Please submit any additional questions to [multifamilyfin@ihda.org](mailto:multifamilyfin@ihda.org). For questions relating to technical issues with the Multifamily Application Portal, please email [mfportalhelp@ihda.org](mailto:mfportalhelp@ihda.org).

### **MANDATORY:**

#### Concept Meeting

Twenty-one (21) days prior to the 9% LIHTC PPA deadline, Sponsor shall submit a request for a concept meeting through: [multifamilyfin@ihda.org](mailto:multifamilyfin@ihda.org).

#### Fees

At PPA, PPA fee will need to be paid for both the 4% and 9% PPA Application. The application fee will need to be paid for both the 9% LIHTC Application and 4% LIHTC Application at the time of full application submission.

#### Preliminary Project Assessment (PPA)

On or before the 9% LIHTC PPA deadline, the Sponsor shall submit through IHDA Connect:

- Full 9% LIHTC PPA Application
- Full 4% LIHTC PPA Application (in a separate 4% PPA application in IHDA Connect)
- LIHTC PPA workbook showing the entire Common Development Plan (included in the 4% PPA application in IHDA Connect)

#### Full LIHTC Application

On or before the 9% LIHTC application deadline, Sponsor shall submit through IHDA Connect:

- Full 9% LIHTC Application
- Partial 4% LIHTC Application (through the 9% LIHTC application in IHDA Connect).

Additional supporting documents for the 4% LIHTC Application must include:

1. Excel Common Application for 4% LIHTC project
2. Architectural Standards, Universal Design, and Amenities Certification for both the 4% LIHTC Application and combined 9% + 4% LIHTC Application.
3. Financial Feasibility documentation meeting IHDA's Underwriting Standards Guide, including but not limited to:
  - I. Financing acknowledgement letters from each lender of a non-Authority debt Source—including, but not limited to, *tax-exempt* construction loan(s), permanent loan(s), *tax-exempt* equity bridge loan(s), and the assumption of existing debt. Each letter should acknowledge and approve the proposed Twinning structure.



- II. A financing acknowledgement letter from an equity source for the 4% LIHTC. The letter should acknowledge and approve the proposed Twinning structure.
  - III. A copy of the fully executed rental assistance contract or a rental assistance commitment letter from the entity providing the rental assistance, if applicable
  - IV. A narrative explaining construction and operational period real estate taxes.
  - V. Instances where the 4% LIHTC Application diverges from IHDA's Underwriting Standards Guide, a detailed narrative should be provided explaining the application's variance.
4. Excel Common Application for the entire Common Development Plan.
    - I. A Sponsor is to submit three separate Common Applications. One 9% LIHTC Common Application, one 4% LIHTC Common Application, and a combined 9% LIHTC and 4% LIHTC Common Application.
  5. Third-party reports for the 4% LIHTC Application are not required, but will aid in reviewing the feasibility of the Common Development Plan. The same third-party reports may be submitted for both 4% and 9% LIHTC Applications. Each report should 1) acknowledge the twinning structure and 2) detail the unit and/or cost break down between the 4% and 9% projects.
    - I. These reports include: Site Physical Information (maps), Historic Preservation, Phase I and Phase II Environmental, Preliminary Plans and Specifications, Physical Needs Assessment, Relocation, Market Study, Enterprise Green Communities Workbook (if applicable) and third-party construction cost estimate.

## **FINANCIAL FEASIBILITY:**

IHDA will evaluate the financial feasibility of each separate 9% LIHTC and 4% LIHTC Application and the Common Development Plan. Sponsors requesting any deviations from IHDA's underwriting standards should discuss those requests during the concept meeting and further document them at the PPA stage. 9% LIHTC requests will continue to be capped at 1,700,000 annual credits.

### Developer Fee

If either or both projects are requesting Authority soft funds, the 9% LIHTC developer fee will be capped at \$2,500,000. Each project needs to defer at least 25% of Total Developer Fee, or 75% of cash flow years 1-12, whichever is less. The remainder of the fee can be realized over the course of the construction period.

If both the 9% and 4% LIHTC Applications have soft fund requests, the 9% and 4% realized developer fee will each be limited to \$1,875,000 and the remainder of the fee will need to be deferred.

If only the 9% LIHTC Application has a soft fund request, the 4% LIHTC Application developer fee will be subject to our standard developer fee calculation and guidance (page 15-16 of the Underwriting Standards Guide).

The Authority may make exceptions to this guidance at its sole discretion.



## **SCORING:**

IHDA will score twinning projects on their Common Development Plan.

**Universal Design Certification:** Each 9% and 4% LIHTC Applications must select the same criteria for these sections of the certifications.

The Common Development Plan must meet scoring thresholds for the project to score the (7) total points.

**Additional Accessible Units Certification:** Each 9% and 4% LIHTC Application must meet the minimum threshold of Accessible, Adaptable, and Sensory impaired units before going above and beyond for scoring.

For example, to receive 3 additional points twinning projects must include an additional five percent (5%) of total Common Development Plan units that meet Type A accessibility standards, beyond mandatory requirements, for a total of fifteen percent (15%) of Project units meeting Type A standards.

**Unit Mix Certification:** To score points the thresholds must be met based on the Common Development Plan.

**Cost Containment Certification:** All inputs must reflect the Common Development Plan footprint and budget.

**Green Building Standards & Energy Efficiency Certification:** If the twinning project proposes multiple buildings, all buildings will need to pursue the same certification standard.

**Market Characteristics Certification:** One third-party Site and Market Study can be engaged for the Common Development Plan.

**Community Targeting:** These sections will be scored based on the site and market of the Common Development Plan.

**Affordability Risk Index (ARI) Certification:** This section will be scored based on the site of the Common Development Plan.

**Transportation Certification:** This section will be scored based on the site of the Common Development Plan.

**Neighborhood Assets Certification:** If the twinning project proposes multiple buildings, all buildings will need to be detailed in this section.

**AHPAA:** This section will be scored based on the site of the Common Development Plan.

**Development Team Characteristics:** Development team will need to be consistent across the Common Development Plan.



**Rental Assistance or Deeper Income Targeting Certification:** To score points the thresholds must be met based on the Common Development Plan.

**No Additional Authority Resource Requests Certification:** The section must consider the Common Development Plan sources.

**Leveraging Certification:** Inputs must reflect Common Development Plan sources and uses.

**Statewide Referral Network (SRN) Units Certification:** Each 9% LIHTC Application and 4% LIHTC Application must meet the mandatory requirements for SRN. As a reminder, a minimum of 5% of units must be designated to the SRN on the 4% project. Inputs must reflect the Common Development Plan.

**Section 811 Project-Based Rental Assistance Certification:** Inputs must reflect the Common Development Plan.

## **APPROVALS:**

During the 9% round, the Authority will review and approve the requested sources for the 9% LIHTC Applications. The 4% LIHTC Application will need to go back through the IHDA review process (Peer Review, Loan Committee and Board) for any outstanding approvals.

## **GENERAL FAQs:**

Q: Can the Common Development Plan be for a single building?

A: Yes. However, IHDA discourages the use of “checkerboarding” 9% and 4% units.

Q: Must the development team be the same across the Common Development Plan?

A: Yes. The development team must be the same across the common plan of development.

Q: I have an approved 9% LIHTC PPA that did not contemplate twinning, can I submit a full twinning application?

A: No. Sponsors must have approved 4% and 9% LIHTC PPAs that clearly indicated twinning to support a Common Development Plan prior to submitting a full twinning application. A project that did not receive twinning approval at PPA stage, but submits a full twinning application will mandatory fail.

Q: May I elect to use the Average Income Test in my twinning application?

A: Yes, twinning projects may elect to use the Average Income Test but anticipate the 9% and 4% LIHTC Applications being split by floor when the Common Development Plan is submitted as a single building. Do not anticipate the 4% and 9% units to be “checker-boarded” throughout the building. Please ensure the LOI from your investor includes acknowledgment of Income Averaging.

Q: Does the 4% LIHTC Common Application need to reflect Bond Fees and Counsel Fees in the Uses tab as listed in the Multifamily Fee Payment Form?

A: Yes.



**Q:** Can the Common Development Plan put all the accessible, adaptable, and sensory impaired units in a single 4% or 9% LIHTC Application?

**A:** No, each 9% LIHTC Application 4% LIHTC Application must meet the minimum threshold of Accessible, Adaptable, and Sensory impaired units.

**Q:** Can I utilize a per unit operating expense below the set-aside limits if the development is able to achieve economies of scale with the operating expenses?

**A:** No, separate guidance is not being provided based on number of units in the development.

**Q:** Can the soft fund request be the set-aside limit of the Common Development Plan and placed all on the 4% LIHTC Application or 9% LIHTC Application?

**A:** No, soft fund request must be restricted the set-side limit for each the 4% LIHTC Application and the 9% LIHTC Application as well as any other restrictions as listed in the IHDA QAP and Underwriting Standards Guidelines. However, after 9% LIHTC Application Awards are approved by Member of the Authority, the Authority may determine it is appropriate to place any Common Development Plan soft fund request solely on the 4% LIHTC Application or the 9% LIHTC Application.

**Q:** If at the time of the 9% LIHTC Application the Common Development Plan is located in a Qualified Census Tract ("QCT") or Difficult to Develop Area ("DDA"), can the 4% Application contemplate a basis boost?

**A:** Yes, if a Common Development Plan is located in a QCT or DDA at the time of the 9% Application, the 4% Common Application may reflect a basis boost. If the Common Development Plan receives a 9% Award, the 4% LIHTC Full Application must be submitted in a time frame compliant with IRS guidance on basis boosts for the 4% LIHTC Application to remain eligible for a basis boost.