

**ATTACHMENT 28A: FORM OF OPINION LETTER REGARDING NON-PROFIT  
QUALIFICATION**

**(Required if tax credits received from non-profit set aside and nonprofit is the sole general partner  
or sole managing member of the ownership entity)**

**Submit on Tax Counsel's Letterhead**

**(date)**

Attn: Multifamily Development  
Tennessee Housing Development Agency  
502 Deaderick Street, 3<sup>rd</sup> Floor  
Nashville, TN 37243

Development Name: \_\_\_\_\_ (the "Development")

Development Address: \_\_\_\_\_

Ownership Entity: \_\_\_\_\_ (the "Development Owner")

Ladies and Gentlemen:

We are acting as tax counsel to the Development Owner or the Nonprofit defined below in connection with the Development. We are providing this opinion with respect to the status of \_\_\_\_\_ (the "Nonprofit") as a qualified nonprofit organization, as defined in Section 42(h)(5) of the Internal Revenue Code of 1986, as amended (the "Code") and in the Tennessee Housing Development Agency Low Income Housing Tax Credit Qualified Allocation Plan for **[specify year in which allocation was given]** (the "QAP") in connection with a Final Application of even date herewith (the "Final Application") submitted to the Tennessee Housing Development Agency ("THDA") in connection with placing the Development in service. We understand that THDA requires and will rely solely on this opinion to determine whether the Development, as described in the Final Application, is eligible for a final allocation of Low Income Housing Tax Credits ("Tax Credits") from the Non-Profit Set-Aside described in the QAP (the "Non-Profit Set-Aside").

In rendering all of the opinions in this letter, we made all investigations of law and fact we deemed necessary including, without limitation, the QAP and Section 42 of the Code, together with all related Treasury Regulations, Revenue Rulings, Revenue Procedures, IRS Notices, IRS Announcements and Letter Rulings. In addition, we examined documents as we deemed necessary, all of which were original documents or copies certified or otherwise identified to our satisfaction as true copies of such documents.

In addition, in rendering the following opinions, we specifically examined the following:

1. **[select one: a Certificate of Existence from the Tennessee Secretary of State dated \_\_\_\_\_, with respect to Nonprofit; or a Certificate of Existence from the state in which Nonprofit was organized dated \_\_\_\_\_ and a Certificate of Authority from the Tennessee Secretary of State dated \_\_\_\_\_, with respect to Nonprofit;]**
2. the Articles of Incorporation, Charter, Bylaws and minutes or other corporate records of Nonprofit;
3. the Letter of Determination dated \_\_\_\_\_ from the Internal Revenue Service with respect to Nonprofit;

4. all records, documents or other matters related to Nonprofit as we deemed necessary to enable us to give the following opinions;
5. all records, documents or other matters related to other potential participants in the Development as we deemed necessary to enable us to give the following opinions;
6. the Final Application; and
7. the Initial Application, as submitted to THDA by or on behalf of the Development Owner, proposing the Development (the "Initial Application").

Based on our review of the foregoing, it is our opinion that:

1. Nonprofit is an organization recognized by the Internal Revenue Service as a 501(c)(3) or 501(c)(4) organization.
2. Nonprofit was duly organized under the laws of the State of \_\_\_\_\_ on or before two years prior to the date of the Initial Application.
3. **[select one: Nonprofit is validly existing and in good standing under the laws of the State of Tennessee or Nonprofit is validly existing and in good standing under the laws of the State of \_\_\_\_\_ and is validly authorized to transact business in the State of Tennessee.]**
4. Nonprofit was not formed by one or more individuals or for-profit entities for the principal purpose of being included in the Non-Profit Set-Aside, Nonprofit is not controlled by any for-profit entity, and Nonprofit is not affiliated with any for-profit entity, except Development Owner.
5. No staff members, officers or members of the board of directors of Nonprofit has materially participated or will materially participate, directly or indirectly, in the Development as or through a for-profit entity, except through Development Owner.
6. One of the exempt purposes of Nonprofit is the fostering of low-income housing.
7. The Nonprofit is authorized to materially participate (within the meaning of Section 469 (h) of the Code) in the development and operation of the Development throughout the compliance period and has materially participated (within the meaning of Section 469 (h) of the Code) in the development and operation of the Development to date.
8. The Nonprofit described in the Initial Application is the same as the Nonprofit described in the Final Application.

In rendering the following opinions, we made all investigations of law and fact we deemed necessary and we examined the following documents as we deemed necessary, all of which were original documents or copies certified or otherwise identified to our satisfaction as true copies of such documents including, without limitation, each of the following:

1. the fully executed partnership agreement of the Development Owner and fully executed modifications or amendments thereto, if any;
2. the fully executed operating agreement for the Development and fully executed modifications or amendments thereto, if any; and

3. the following fully executed contracts or agreements which indicate the role of Nonprofit in developing and operating the Development (list documents examined):

Based on our review of the foregoing, it is our opinion that:

1. Nonprofit [**select one: owns all of the general partnership interests or is the sole managing member**] of the Development Owner.
2. The partnership agreement of Development Owner and the operating agreement for the Development do not provide for additional [**select one: general partners or managing members**] of Development Owner and provide that Non-profit may only be replaced by another Non-profit that is a qualified Non-profit organization so defined in Section 42(h)(5) of the Code and the QAP.
3. The partnership agreement of the Development Owner and/or the operating agreement for the Development provide(s) for the material participation of Nonprofit (within the meaning of Section 469(h) of the Code, as amended) in the development and operation of the Development throughout the compliance period.
4. No documents examined or of which we are aware limit Nonprofit's ability to materially participate in the development and operation of the Development throughout the compliance period.

Based on all of the foregoing, it is our opinion that Nonprofit meets the requirements of a qualified nonprofit organization as defined in Section 42(h)(5) of the Code and in the QAP. It is our intention that this opinion be relied upon solely by THDA in connection with THDA's evaluation of the Final Application and its determination as to the eligibility of the Development, as described in the Final Application, and Development Owner, as described in the Final Application, to receive a final allocation of Tax Credits from the Non-Profit Set-Aside and for no other purpose.

**(Name and Signature of Attorney or Firm rendering opinion)**