

Individual Application IRS Section 42 Disposition Bond

SECTION I – Personal Information

Instructions: Applicants must Complete Section I and Section II. Make sure to answer ALL questions in these sections.

1. Name of Applicant _____ Date Of Birth _____ Social Security Number _____
2. Name of Spouse _____ Date Of Birth _____ Social Security Number _____
3. Current Address _____
Street City State Zip
4. Previous Address _____
(If less than 2 years) Street City State Zip
5. Home Phone (____) _____ Work Phone (____) _____ Email _____
6. Applicant's Occupation _____ Years with Current Employer _____
7. Employer's Name and Address _____
Street City State Zip
8. Name and Address of Bank _____
Street City State Zip
8. Annual Income *(include wages, investment earnings and/or dividends, retirement benefits, social security benefits, etc)* \$ _____
9. Have you ever filed for bankruptcy? YES () NO ()
10. Please complete the financial statement below or send a separate financial statement referencing your application.

Abbreviated State of Financial Condition

Date of Statement _____

Assets		Liabilities	
Cash in Banks & On Hand	\$	Notes Payable to Banks <i>(Unsecured and Secured)</i>	\$
Securities Readily Marketable <i>(U.S. Gov't & listed on Stock Exchange)</i>	\$	Accounts Payable	\$
Securities Not Readily Marketable <i>(Uninsured stocks, bonds and investments)</i>	\$	Real Estate Mortgages Payable	\$
Cash Value of Life Insurance	\$	Federal and State Income Taxes Payable	\$
Real Estate	\$	Charge Accounts Payable	\$
Other Assets	\$	Net Worth <i>(Assets less Liabilities)</i>	\$
TOTAL ASSETS	\$	TOTAL LIABILITIES AND NET WORTH	\$

Individual Application (Continued)

SECTION II- Indemnity Agreement

Instructions: *The Applicant and the Applicant's spouse must sign Indemnity Agreement. Both the Applicant's signature and the Spousal signature must be witnessed by a third party.*

INDEMNITY AGREEMENT

The undersigned Applicant and Indemnitor(s), all hereinafter called the Indemnitor(s), hereby certify that the foregoing declarations made and answers given, are the truth without reservation, and are made for inducing TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, One Tower Square, Hartford CT 06183 for itself and its affiliates, parent, and subsidiaries, hereafter called the Surety, to become Surety on certain bond(s) or undertaking(s) applied for and any renewal and increase of the same or of any bond(s) or undertaking(s) of a similar nature given in substitution or renewal thereof (all comprehended in the word "bond(s)" or "undertaking(s)" as herein used), and in consideration of the Surety executing said bond(s) or undertaking(s) do undertake and agree as follows:

To pay the Surety all premiums when due, until the Indemnitor(s) shall serve upon the Surety, at its said office, competent written legal evidence, satisfactory to the Surety, of it being duly discharged from such bond(s) or undertaking(s). That the Indemnitor(s) hereby authorize the Surety to make such pertinent inquiry as may be necessary from financial institutions, persons, firms, and corporations in order to confirm and verify information referred to or listed on this application. The Indemnitor(s) will at all times indemnify, and keep indemnified, the Surety, and hold and save it harmless from and against any and all damages, loss, costs, charges and expenses of whatsoever kind or nature, including counsel and attorney's fees, whether incurred under retainer or salary or otherwise, which it shall or may, at any time, sustain or incur by reason or in connection with furnishing any bond(s) or undertaking(s) and to deposit with the Surety on demand an amount sufficient to discharge any claim made against the Surety on bond(s) or undertaking(s). This sum may be used by Surety to pay such claim(s) or be held by Surety as collateral security against loss or cost on bond(s) or undertaking(s).

Regardless of the date of signature(s), this indemnity agreement is effective as of the date of execution of aforementioned bond(s) or undertaking(s) and is continuous until Surety is satisfactorily discharged from liability pursuant to the terms and conditions contained herein.

Signed this _____ day of _____, 20_____.

Applicant and Spouse sign below:

X _____
Witness to Applicant's signature

Name of Applicant (as stated on Application) typed or printed here

X _____
Applicant sign here
Social Security # _____

X _____
Witness to Spouse's signature

Name of Applicant's Spouse (typed or printed here)

X _____
Spouse sign here
Social Security # _____

THIS IS AN INDEMNITY AGREEMENT AND OBLIGATES ALL SIGNATORIES. PLEASE READ CAREFULLY.

Individual Application (Continued)

SECTION III- Property Information

INSTRUCTIONS: Complete this section based upon information for the entire project. If the applicant is an individual investor in a partnership, Section III and Section IV should be completed by project's syndicator, general partner or property manager on behalf of all individual partnership owners.

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| <p>1. Location of property:</p> <p><input type="checkbox"/> Rural</p> <p><input type="checkbox"/> Suburban</p> <p><input type="checkbox"/> Urban</p> | <p>2. Description of the property:</p> <p><input type="checkbox"/> one family home</p> <p><input type="checkbox"/> duplex</p> <p><input type="checkbox"/> multiple unit property with less than 5 units</p> <p><input type="checkbox"/> multiple unit property with more than 5 units</p> <p><input type="checkbox"/> multiple building property/projects</p> |
|--|---|

3.

Total No. of Units <i>(market rate and low-income)</i>	Total No. of Units currently occupied/rented	Total No. of Units deemed "Rent Restricted"	Total No. of "Rent Restricted" Units currently occupied

4. Why is property being sold? _____

5. Discounting depreciation expense, is the property currently generating a profit? YES () NO ()

6. Is the property currently in compliance with IRS regulations? YES () NO ()

7. Has the property fallen out of compliance in the past? YES () NO ()

8. If yes, in what way – what codes were violated? _____

9. Was compliance subsequently secured? YES () NO ()

10. Under your ownership, did a professional property management company manage the property? YES () NO ()

11. After property sale, will a professional property management company manage the property? YES () NO ()

12. Name and address of the new property management company _____

Street	City	State	Zip
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13. Is there a land use restriction provision on the property? YES () NO ()

14. If yes, briefly outline terms or submit a copy of restrictions _____

15. Date of property sale _____

16. Exact percentage of your ownership interest in entire project _____%

17. Total amount of tax credits you received on this property *(This amount should include all tax credits for previous years, whether or not taken, and any additional tax credits that you anticipate claiming in the year of sale prior to the date of disposition)* \$ _____

18. Explain in detail how tax credits flowed from the original Building Owner to the Applicant. *(Please list the exact names and Federal Identification Number of all entities that are involved in the tax credit passthrough. Sometimes information on these entities can be found in project's investment prospectus, IRS Form 8906 or in Partnership's annual K-1 Tax Statement.)* _____

Individual Application (Continued)

SECTION IV – Tax Credit History

Instructions: *For each separate building, please provide the yearly total tax credits granted to all investors in previous years (whether or not you owned the property) and any additional tax credits that will be earned in the year of the sale prior to the date of disposition.*

Address of building as shown on Form 8609 (do not use PO Box)	Building ID Number (BIN)	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	Total