



**NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY**

**Low-Income Housing Tax Credit (LIHTC)**

**Frequently Asked Questions (FAQs)**

The FAQs are an opportunity to provide all applicants and the public with the same information to preserve the competitive integrity of the 9% LIHTC program. Following is a list of questions that have been sent to the LIHTC mailbox with regard to the 2026 competitive 9% application round.

Applicants are encouraged to check the website prior to submitting a question to the LIHTC mailbox, [NJHMFAtaxcredits@njhmfa.gov](mailto:NJHMFAtaxcredits@njhmfa.gov). As questions and responses are added, the revision dates will appear at the top of this page and will be included in a different color font. Applicants are encouraged to check back periodically.

Please be advised that it remains the sole responsibility of the Applicant to review carefully, and comply with, the requirements of QAP regulations and to ensure that any application presented to the NJHMFA Tax Credit unit of the Multifamily Supportive Housing and Lending Division is clear, unambiguous, and complete in all respects at the time of submission. Responses to FAQs are only examples of a theoretical application of a limited set of facts to the rule(s). They are for **guidance purposes only** and are not Agency regulations. If there is an inconsistency between the adopted Qualified Allocation Plan (QAP) and the responses to FAQs, then the QAP prevails. Until confirmed through final action of the Tax Credit Committee, responses presented in the FAQs are merely an aid and may not be relied upon as a recommendation, counsel, or expectation of an approval.

As a reminder, project-specific questions, including document review and/or confirmation of eligibility for threshold requirements or points, are not permitted.

## 2026 Round

### Credit Authority & Award Amount

Q: Could you please share the credit year of the allocations you expect to award to projects applying to the July round?

A: The July 2026 9% round will award credits from the 2027 tax credit authority.

Q: Could you please share the amount of credit you expect to award to projects applying to the July round?

A: A minimum of \$25M in 9% LIHTC is expected to be made available to award.

### Tiebreaker

Q: At N.J.A.C. 5:80-33.19(a)), the first tiebreaker uses two different metrics- one for projects located in a TUM, and one for projects located in a non-TUM. For a TUM, a tax credit reservation shall be awarded to the project located in the municipality with the lowest MRI ranking. In a non-TUM, the reservation shall be awarded to the project located in the municipality that has either never hosted a project that received a nine-percent LIHTC award or has gone the longest time since most recently hosting a project that received a 9% LIHTC award.

How is the tiebreaker determined in the event a project in a TUM and a project in a non-TUM score the same?

A: In this scenario, the first tiebreaker is irrelevant and would not be applicable. Therefore, the 1<sup>st</sup> tiebreaker would be bypassed and the 2<sup>nd</sup> tiebreaker would be used in order to make an even comparison.

Q: Section 5:80-33.19(a)1i says that the first Tiebreaker for a project outside of a TUM shall go to a project in a host municipality that has not received an award or the longest time since receiving an award. These questions below are regarding the exceptions:

Q1. Please clarify what is meant by "... prior awarded projects that are part of the same fair share housing development plan shall not be included for purposes of calculating the most recent year of award, provided that the current project was identified in the fair share housing development plan submitted with the previously awarded application(s) and provided further that the fair share housing development plan listing the project and evidence of court approval are submitted in the current application."

A1: By "part of the same fair share housing development plan," we mean phases of the same overall project that was identified as such in the originally submitted fair share plan. For example, if Phase 1 was previously awarded 9% LIHTC, but the fair share plan submitted with the Phase 1 9% application identified Phase 2 as a future

phase of Phase 1, then Phase 1 would be excluded from the tiebreaker calculation when Phase 2 submits an application for 9% LIHTC.

Q2: Is the intent to exclude all third and fourth round projects from the tiebreaker criteria because projects for both rounds are included in the Housing Element and Fair Share Plans (HEFSP)?

A2: The intent is for the tiebreaker to not penalize a project with multiple phases. If Project A has three phases, when A3 applies for LIHTC, Projects A1 and A2 will be excluded from the tiebreaker. However, if Project B or Project C is applying for LIHTC, then the Project A awardees will not be excluded from the tiebreaker.

Q3: Can multiple projects in the same town be awarded credits in the same tax credit cycle or subsequent cycles?

A3: N.J.A.C. 5:80-33.4(c) and 33.5(c) limit the number of 9% LIHTC awards that a municipality can receive in the same year:

To ensure equitable distribution if there are both excess demand and multiple ranking eligible applications from a single municipality, NJHMFA shall fund no more than two projects per year from the same municipality with a population of less than 100,000 and no more than three projects per year from the same municipality with a population of 100,000 or more based on the most recent American Community Survey Table DP05 (ACS 5-Year Demographic and Housing Estimates), U.S. Census Bureau (however, projects funded through the Supportive Housing Cycle will not be included in this count).

NJHMFA will accept only one application per developer/general partner/managing member per municipality in the Family Cycle, and in the Age-Friendly Senior Cycle in each 9% round.

Q4: Current HEFSP also flip projects from one round to another. How will you discern which project awards are excluded from the Tiebreaker?

A4: The current applicant must have been identified as a later phase of the same project in the fair share housing development plan submitted with the previously awarded application(s). For purposes of the tiebreaker, the applicant will be considered to be part of the same overall project with which it was originally identified.

Q5: For example, a town has four tax credit projects in the plan (two 3<sup>rd</sup> round projects and two round 4 projects); one 3<sup>rd</sup> round project received 9% credits during the 3<sup>rd</sup> round (2015-2025) but has not been built. All four are included in the current HEFSP. Could all three remaining projects receive awards (under the tiebreaker) since they are all identified in the "fair share housing development plan"?

A5: The main consideration in determining whether prior awards are considered in the tiebreaker is whether the previously awarded applications are identified as phases of one overall project in the HEFSP.

**Financing Commitments**

Q: Can you confirm NJHMFA cannot process the 9% application without an ASPIRE award due to the requirement of having financing commitments in hand which is not present for the 4% application requirements?

A: Correct. All anticipated financing sources listed in the application should be committed at the time of the 9% application.

In a 4% tax credit scenario, the NJHMFA and EDA typically receive project applications simultaneously. The two entities work in conjunction to approve commitments within the same month, at their respective board meetings.

Q: Can you confirm there is no explicit rule against combining 9% LIHTC and ASPIRE within the QAP?

A: There is no rule in the QAP prohibiting the combination of 9% LIHTC and Aspire credits.