

**EXHIBIT D**  
FORM OF OPINION OF COUNSEL REGARDING CARRYOVER

Date: \_\_\_\_\_

Minneapolis/Saint Paul Housing Finance Board

c/o Community Planning & Economic Development  
Crown Roller Mill, Suite 200  
105 Fifth Avenue South  
Minneapolis, MN 55401

McDonough Law Firm  
126 Mackubin Street  
Saint Paul, MN 55102

or

c/o Saint Paul Housing and  
Redevelopment Authority  
13th Floor, City Hall Annex  
25 West Fourth Street  
Saint Paul, Minnesota 55102

McDonough Law Firm  
126 Mackubin Street  
Saint Paul, MN 55102

RE: **(Name of Developer)**  
**(Name and address of Project)**  
**(Building addresses, if more than one)**

Ladies and Gentlemen:

We have acted as counsel to \_\_\_\_\_, a \_\_\_\_\_ (the "Developer") in connection with the Developer's application to Minneapolis/Saint Paul Housing Finance Board (the "Board") for allocation of low income housing credits pursuant to Minnesota Statutes, Chapter 462A.222 and Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"). In that regard, we have reviewed and are familiar with the Developer's application for Low Income Credit dated (the "Application"), and the [Partnership Agreement/Articles and Bylaws], of the Developer (the "Organizational Documents"), dated \_\_\_\_\_. We have further examined such documents and papers as we have deemed relevant and necessary as the basis for my opinions as set forth below. Based upon our examination, it is our opinion that:

1. The Developer has ownership of the land on which the project will be located, i.e., the Developer has basis in land and other acquired real property or depreciable property as set forth in Section 42(h)(1)(E) of the Code, Treasury Regulations 1.42-6(h)(2)(i) and IRS Notice 89-1.

2. I am not aware that the Application contains any untrue statement of a material fact with respect to the allocation of low income credit to the Developer.

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3. Assuming that the facts set forth in the Application [and in the Certificate of the Developer attached hereto (if necessary)] with respect to costs of construction, schedule of completion, plans and specifications, credit allocation amount, occupancy by low-income tenants, rents, and other matters are, in fact, realized, and based on existing laws, regulations, rulings and decisions as of the date of this opinion,

(a) The Project will consist of \_\_\_\_\_ Buildings;

[Each] [The] Building is a (new) (existing) building within the meaning of Section 42(d) of the Code;

[(If applicable) The rehabilitation expenditures for the Building will be treated as a separate, new building within the meaning of Section 42(e) of the Code;]

(b) The (Project/Building) will be a qualified low-income housing project as defined in Section 42(g) of the Code;

(c) The (Project/Building) will be eligible for the (70% / 30%) present value credit described in Section 42(b) of the Code;

(d) The building (will be) (has been) placed in service as such term is used in Section 42(g)(3) of the Code in \_\_\_\_\_ 20\_\_\_\_;

(e) The applicable fraction as defined in Section 42(c) of the Code will be \_\_\_\_\_%;

(f) As of the close of the first year of the credit period the eligible basis of the building as defined in Section 42(d) will be \$ \_\_\_\_\_;

(g) As of the close of the first year of the credit period the qualified basis of the building as defined in Section 42(c) will be \$ \_\_\_\_\_;

(h) The beginning of the credit period as defined in Section 42(f) will be \_\_\_\_\_;

[(i) The reasonably expected basis of the Project at the end of the second calendar year succeeding the year \_\_\_\_\_ will be \$\_\_\_\_\_;]

[(j) For purposes of Section 42(h)(1)(E), the basis in the Project as of the date hereof is at least \$\_\_\_\_\_, which constitutes at least \_\_\_\_\_% of the total reasonably expected basis in the Project. The Project therefore meets the requirement for a carryover allocation.]

[(i) The Developer is a qualified non-profit organization as defined in Section 42(h)(5)(c) (if applicable).]

[(j) (If applicable.) The Project is located in United States Census Tract Number \_\_\_\_\_ in the Minneapolis-Saint Paul Metropolitan Area, which has been designated by the Secretary of Housing and Urban Development as a qualified census tract within the meaning of Section 42(d)(4) of the Code. Pursuant to Section 42(d)(4)(C)(II) of the Code, the [rehabilitation] [construction] expenditures taken into account under Section 42(e) of the Code will be 130 percent of such expenditures (as determined without regard to such Section 42(d)(4)(C)(II)).]

Very truly yours,

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