

NOTICE

TO THE GOVERNING BODIES OF CITIES, TOWNS, COUNTIES AND COUNTY INDUSTRIAL DEVELOPMENT AUTHORITIES REGARDING THE INTENTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF PIMA TO ISSUE SINGLE FAMILY MORTGAGE CREDIT CERTIFICATES.

The Industrial Development Authority of the County of Pima (the "*Authority*") hereby gives notice, as required by the provisions of Title 35, Chapter 5, Arizona Revised Statutes, as amended (the "*State Law*"), of its intention to issue one or more series of The Industrial Development Authority of the County of Pima Single Family Mortgage Credit Certificates (the "*Mortgage Credit Certificates*"). The proceeds of the Mortgage Credit Certificates will be used in one or more of the Authority's Qualified Mortgage Credit Certificate Programs, including without limitation, the Authority's Qualified Mortgage Credit Certificate Program of 2021 (collectively, the "*MCC Program*"). The MCC Program will provide financial assistance to persons meeting certain restrictions imposed by the Internal Revenue Code of 1986, as amended ("*Federal Tax Law*") and the State Law with respect to mortgage loans to finance the acquisition or improvement of owner-occupied single family dwelling units.

The general location of the residences will be throughout Pima County (the "*County*") and all counties in the State of Arizona (the "*State*"), but not within any county, city or town which exercises its statutory right to prohibit the use of the MCC Program with respect to mortgage loans on residences within its boundaries. The precise locations of the residences will be determined by the qualified home buyers who apply for, and receive approval of, assistance in financing of their home mortgages in the MCC Program.

The general character of the residences will be real property and improvements thereon which are detached or attached structures intended for single family residential housing (including manufactured housing and units of condominiums and planned unit developments, but excluding mobile homes) and which are to be occupied as the primary residence of the mortgagor, title to which is held by the mortgagor, and which are not intended to be used in whole or in part in a trade or business or for investment. The maximum purchase price of any residence to be financed will be the maximum established by the Authority from time to time within the limits imposed by Federal Tax Law. The maximum purchase price permitted by Federal Tax Law is 90% (110% in Targeted Areas, as defined in Federal Tax Law) of the average area purchase price (as defined in Federal Tax Law) for the type of residence being financed.

Mortgagors must have annual gross income not exceeding the maximum income established by the Authority from time to time within the limits imposed by Federal Tax Law and the State Law. The maximum income of the mortgagor permitted under Federal Tax Law is 115% (100% for families of fewer than three individuals) of the greater of the applicable area or statewide median gross income, except that in Targeted Areas the maximum income is 140% (120% for families of fewer than three individuals) of the greater of the applicable area or statewide median gross income. The maximum income permitted under the State Law is 150% of the State median income (250% of the State median income in areas of slum or blight as defined in the State Law). Federal Tax Law requires that the mortgagors must not have had an ownership interest in a principal residence at any time during the three-year period preceding the date on which the

mortgage loan is obtained, except that this requirement does not apply to mortgage loans to finance residences located in Targeted Areas.

Pursuant to Arizona Revised Statutes §35-706, the governing body of a county, and of its industrial development authority, if any, and the governing body of each incorporated city or town shall be deemed to have given its approval of the use of the Mortgage Credit Certificates with respect to mortgage loans on residences within their jurisdiction unless the governing body of the county, city or town or the board of directors of the county industrial development authority, if any, has denied approval by formal action within 21 days after receipt of this written notice. By law, approvals which are given, or which are deemed by law to have been given, may not be withdrawn. A denial of the approval may be withdrawn by such governing body and approval may be given thereafter if the corporation issuing the Mortgage Credit Certificates approves the withdrawal of the denial.

PLEASE NOTIFY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF PIMA BY TELEPHONE OR FAX TO MICHAEL A. SLANIA AT SLANIA LAW, PLLC, GENERAL COUNSEL TO THE AUTHORITY (telephone (520) 600-3082; fax (520) 314-3663) OF ANY FORMAL ACTION TAKEN TO DENY APPROVAL OF THE USE OF THE MCC PROGRAM IN YOUR JURISDICTION ON OR BEFORE 21 DAYS AFTER THE RECEIPT OF THIS NOTICE.

Dated: March 9, 2021

THE INDUSTRIAL DEVELOPMENT
AUTHORITY OF THE COUNTY OF PIMA

/s/

Frank Y. Valenzuela, President