



Scott Farmer
NC Housing Finance Agency
3508 Bush Street
September 3, 2015

Dear Mr. Farmer:

Weaver-Kirkland Development, LLC appreciates the opportunity to offer the following comments to be considered for the 2016 Low-Income Housing Tax Credit Qualified Allocation Plan (QAP) for the State of North Carolina.

1. We would recommend the agency award tax credits remaining after the Rehab set-aside awards to new construction projects, starting with those earning the highest scoring totals within each of the following four income designations replacing the current system of having the awards spread over four geographic set-asides. From 2013 to 2015 the scoring has included the following distributions over the geographic set-asides:

West-21	(19%)
Central-29	(26%)
East-30	(27%)
Metro-31	(28%)

If the proposed four income designated regions were used in these years, the distribution would be as follows:

Low-30	(27%)
Moderate-31	(28%)
High-19	(17%)
Metro-31	(28%)

This method would allow sites to be more competitive financially because they will now be competing against sites in the same or similar income designation instead having a High income county site competing against a Low income county site in the same geographic region.



2. The maximum awards to any one Principal should be three, including no more than two in the new construction set-asides

3. The Agency should conduct a survey of affordable housing lenders to determine required range(s) of interest rates for private permanent financing, as may vary based on amortization periods. Applications must be within the applicable ranges. The Agency would announce such rates by the deadline for market analysts to mail studies. During full application underwriting, the Agency may determine that the interest rate on a loan must be reduced where an application shows an excessive amount accruing towards a balloon payment.

Thank you for your consideration of these comments.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Charlie Heritage', written over a light blue horizontal line.

Charlie Heritage

Vice President