

Johnson, Leanne 6-9248

From: Nicholson, Laura 6-9190
Sent: Wednesday, March 18, 2015 6:28 PM
To: Johnson, Leanne 6-9248
Subject: 2015 Rent and Income Limits

Importance: High

Please post to the Q&A section of the tax credit webpage. Thanks,



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From: Nicholson, Laura 6-9190
Sent: Wednesday, March 18, 2015 6:27 PM
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Cc: 'chips@vsinsights.com'; Jenn Tristano (JennT@vsinsights.com); Johnson, Leanne 6-9248; Maddox, Jeff 6-9197; McMillan, Chris 6-9196; Kass, Joseph 6-9345; Smith, Courtney 6-9195
Subject: South Carolina Market Studies
Importance: High

I have received a good many questions about the use of 2015 rents and incomes for the tax credit applications which are due next week in South Carolina. Based on the fact the 2015 rents and incomes were issued prior to the due date for application submission and that the rents and incomes are effective as of March 6, 2015, the Authority is requiring that all developments submitted use the 2015 limits. I realize many of you have already completed and sent the market studies to the developers and some of you may not have time to completely redo the market study report and resubmit it back to the developer in time for the application submission. If that is the case, the Authority will accept an addendum summary that can be included with the market study addressing any changes based on the use of the 2015 rent and income limits and the summary must include the correct Exhibit S-2 and Rent Calculation form based on the 2015 rent and income limits. As the HOME rents and income limits have not come out yet you will continue to use the 2014 HOME limits for any tax credit market studies requesting HOME funds.

It is my understanding that many of our counties lowered rents and incomes which will affect proposed developments to be located in those counties. Underwriting staff will write down any rents that exceed the 2015 rent limits as part of the financial analysis of the development. Obviously when rents are written down it will affect the financial feasibility of the development to some extent. We are trying to avoid the possibility of a development not meeting a financial threshold based on the fact that 2014 rents were used in the application submission as well as the market study and therefore causing it to be disqualified for financial feasibility.

Please let me know if you have any questions regarding the above.



Laura Nicholson, Development Director

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