

From: Maddox, Jeff 6-9197
Sent: Friday, February 01, 2019 4:04 PM
To: Cooper, Clay
Cc: McKay, Jonathan; Schuman, Jared; LeDonne, Garrett; Maddox, Jeff 6-9197
Subject: RE: Properties in lease-up

Clay,

The Authority would consider an existing tax credit property with a vacancy greater than ten percent (10%) to be a prohibited detrimental site characteristic for an application proposing a development for the same tenant population within the same defined market area. Within its sole discretion, the Authority may make an exception for an existing development where the vacancy rate is not result of the market for the tenant population. The Applicant would need to provide supporting evidence that the vacancy rate is not a market issue. You should also review the Authority's market study guidelines, which require comparable/competitive units funded, under construction, or placed in service since 2018 to be subtracted in calculating net demand. Vacancies in such comparable/competitive projects placed in service which have not reached stabilized occupancy (93%) must also be considered as part of the supply.

Thanks,

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From: Cooper, Clay [REDACTED]
Sent: Wednesday, January 30, 2019 2:13 PM
To: Maddox, Jeff 6-9197
Cc: McKay, Jonathan; Schuman, Jared; LeDonne, Garrett
Subject: Properties in lease-up

Hi Jeff,

I work for Woda Cooper Companies and look for sites in South Carolina. We have identified a site near a property that received 2016 credits. While the QAP only strictly prohibits being near projects with 2017 & 2018 credits, it does have a market requirement that all LIHTC projects of the same tenancy must have less than 10% vacancy. When visiting the site, we noticed this 2016 award was either finishing construction or just recently finished and is in lease-up. We are wondering how will this property be treated as it pertains to occupancy? Obviously, the occupancy rate will be changing rapidly as it leases up, so we wanted to know how to address this issue. I have copied a few of my colleagues on this email who have been working with me on this site. If you prefer to set up a call, I can make myself available anytime.

Thank you for your time,

Clay



Clay Cooper

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