

10/31/2019

Chris McMillian, Tax Credit and Bond Manager  
Sara Martinez, Director of Development  
South Carolina State Housing Finance and Development Authority  
300-C Outlet Pointe Boulevard  
Columbia, South Carolina 29210

October 31, 2019

Dear Mr. McMillian and Ms. Martinez,

InterMark Management Corporation is a Columbia, South Carolina based property management firm managing approximately 8000 units under the affordable housing umbrella. While we appreciate the State's recognition of the importance of engaging experienced and qualified property management firms, we would like to propose further communication on a few of the points in the Draft. Please accept this letter as our comments regarding the Required Management Experience items proposed in the South Carolina 2020 Draft QAP.

**Monthly collection of 95% of resident receivables (rents paid)**

On the surface this appears to be a reasonable requirement, however consideration should be given for circumstances beyond management's control that can dramatically effect collection efforts, such as local magistrates giving lengthy extensions for payment or local housing authorities routinely finalizing contracts and paying 30-60 days in arrears.

**Aged property payables with no unpaid invoices over 60 days**

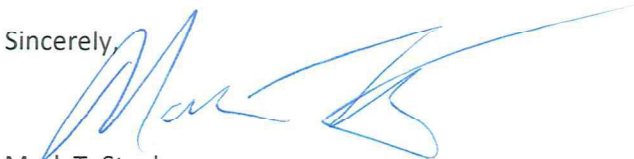
Property payables may not be under the ultimate control of a management entity if the ownership group elects not to fund them when needed. This refusal may be based on several things such as a) the dispute of an invoice or b) lack of funds.

**No uncorrected 8823's or noncompliance that is unresolved at the conclusion of an established cure period**

Again, the correction to an 8823 may be subject to the ownership group's election to fund the corrective action. A correction may require the approval of the ownership group, subject to the terms of the management agreement, in which our management firm is required to obtain approval for any expense in excess of a stipulated amount.

Again, we do agree that engaging an experienced and qualified property management firm is paramount to the successful management of an LIHTC property and we encourage the Authority to place requirements on management; however certainly suggest the further discussions to lower or limit some of the thresholds proposed.

Sincerely,



Mark T. Stuckey  
President  
InterMark Management Corporation



**INTERMARK  
MANAGEMENT**  
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