



Date: July 26, 2010

To: 2010 Competitive LIHTC Applicants

From: Multifamily Housing Group

Re: Announcement Regarding Recent LIHTC Reservation Agreements

On July 20, 2010 WHEDA announced guidance for the 2010 LIHTC program regarding funding gaps experienced by many applicants. That guidance included the following statement:

*2010 LIHTC Awardees have been issued LIHTC Reservation Agreements. Failure of the applicant to timely execute the agreement and remit the required fees will necessitate WHEDA withdrawing the reservation and allocating the Credit to applicants "on hold".*

In order to allow awardees time to react to the July 20th guidance, WHEDA's Executive Office has directed the Multifamily Group to allow an approximate 10 day "grace period" for the return of Reservation Agreements issued during July 2010.

Therefore, all Competitive LIHTC Reservation Agreements issued in July 2010 are to be postmarked or delivered to WHEDA no later than 5:00 p.m. August 9, 2010.

Please note:

1. If an applicant intends to execute their July Reservation Agreement and Statement of Election of Appropriate Percentage in the month of August, contact WHEDA to reissue documents to comply with IRS requirements. Therefore, a new page one of the Reservation Agreement as well as a new Statement of Election (for August) will be mailed to the applicant. Since the "30% Credit" percentage rate is lower in August than in July, the Reservation amount may be correspondingly reduced for some applicants.
2. If an applicant intends to execute their Reservation Agreement and Statement of Election of Appropriate Percentage in the month of July (as originally mailed), nothing further is needed.

Questions may be directed to either your WHEDA Senior Underwriter, or Bill Boerigter, Manager, MF Lending and Credit.