

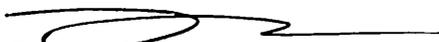


UNITED PROPERTY MANAGEMENT

August 22, 2014
Mr. Chris Austin
North Carolina Housing Finance Agency
3508 Bush Street
Raleigh, NC 27609

2015 Qualified Allocation Plan: Comments

- Allow applicant to perform market analysis before initial application. Applicant can choose an analyst from the NCHFA approved list of market analysts. Depending on the outcome of the study, the applicant can decide whether to submit the application.
- Allow a line item in the budget for building permits. Since cost varies from area to area, it is difficult for the general contractor to budget. Remove building permits from the general contractor's scope so there will be no general contractor fees charged for building permits.
- Revise site score criteria regarding distance to power transmission lines. Power transmission lines are obviously necessary for housing development and do not appear to create aesthetic problems to potential residents. Also, there is no scientific evidence or agreement that transmission lines pose any health or safety concerns. See attached study.
- Remove maximum equity price per credit. The sunset of the state tax credit resulted in a significant loss of funds. Anything that can be done to increase equity is needed. Total unit production did increase in 2014, but at the expense of funds from the State of North Carolina and local cities and counties. State funds have been reduced and with the trend of conservatism in the state, there is a good possibility that local funds may also be reduced. Therefore, we must either reduce per unit development costs or ease the incentive to minimize the Federal LIHTC. We probably need to do both.
- For site scoring increase the minimum distance to amenities to at least 1.5 miles. The 1 mile limitation creates a real hardship in poor and rural communities.


Fred G. Mills, Sr.

P.O. Box 6171
Raleigh, North Carolina 27628
919.755.9155
upmapartments.com