

Tara Hall

From: Andrew Rosen <rosen@blue22dev.com>
Sent: Thursday, September 25, 2025 7:44 PM
To: Tara Hall; Erica Hopkins
Subject: EXTERNAL: 2026 QAP comment

CAUTION: This email originated from outside of NCHFA. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Thank you for the opportunity to provide comments on the first draft of the 2026 QAP

As it stands right now, it appears that WHLP is off the table as a source of financing (hopefully this will change but I am not assuming it to be available in this cycle). If indeed that is the case, as projects stand right now, the majority of them will not work financially without a ton of soft financing - in fact it isn't even close in moderate and low income designated counties. The Agency is incentivizing larger deals and providing extra credits and bonus points in non DHHS counties. Developing in that region is very challenging with sites and prices at a premium and the topography adding significantly to the budget.

Whether in the West, or any region for that matter, not having up to \$2-3m in WHLP can only be made up through an increase in credits. Developers will certainly defer more than 25% of their fee as well. I ran a proforma with very low land cost just as a sample in a low income county - bumping up the credits from \$1.3m to \$1.6m and it was not nearly enough; as I was deferring well above 50%.

I would suggest increasing the credits by income designation: \$1.4m in high income areas, \$1.6 in moderate and at least \$1.7m in low income areas.

Thank you for taking this into consideration

Andy Rosen
Blue 22 Development
812 Berkeley Street
Durham, North Carolina 27705

919 622 2293