

Tara Hall

From: Patrick Theismann <ptheismann@beacon-nc.com>
Sent: Tuesday, October 7, 2025 9:47 AM
To: RentalHelp
Cc: Tara Hall
Subject: EXTERNAL: First Draft 2026 QAP Comments & Question

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Good morning,

A very happy Tuesday to you. I hope you are having a great week so far. Thank you again for the time last week at the conference. As a developer, I greatly appreciate the agency's willingness to work with industry in crafting the best document possible. Please see below comments and question pertaining to the first draft of the 2026 QAP.

- **Increase to credits per unit.** 1.3MM is simply not enough to make deals work, even those in metro regions and especially in smaller municipalities. Given the continuing rising construction costs, interests rates, soft costs and cost of land as well as soft financing becoming more scarce it is hard to make deals pencil with 1.3MM in credits. As developers, and managing agents, we want our costs to be adequate to ensure the development will be built and managed well. That can only come through additional sourcing which is harder and harder to find. A way to assist in that is increasing the credit per unit allocation.

- **Eliminate the cap on the total development costs.** Per the above, given that sourcing a deal is becoming ever more difficult, developers are only trying to elevate their costs more than is absolutely necessary. We are trying to find sources, not increase our costs more than is needed to develop the property. Land cost is a significant aspect and it would be a shame to not be able to do a deal simply because the costs reached a cap. As was noted during the conference, we seem to have a lot of caps and I believe eliminating this one would be beneficial.

- **Have soft money be at least part of the tie break, maybe third tie break.** I think having the most units as the second tie break is a great step and also incentivizes developer to try and max out density, thereby providing as much affordable housing as possible. However, I think adding back the soft money as a tie breaker is beneficial given the scarcity of it. If a developer has soft money, that is a very good sign that the municipality is supportive of the development. It will also encourage us to pursue the soft financing to assist in sourcing the development rather than just taking more a deferred fee which hurts the financial feasibility of the project and scares off investors.

- Is WHLP included this year? I was just curious.

In regards to Exhibit B:

- Phone jacks are very redundant, especially if you have optical fiber coming into the building which most buildings have. Technology has allowed us to run data in all the buildings and having to run phones as well is not necessary given that the data can provide the phones and cable necessary for the residents.

- Please provide clarification on the ADA ranges. There has been some confusion on if we can use a slide in ADA range or if they must be a drop in. This was not specified in QAP Appendix B. I think the more clear we can be with our design requirements it will be less work for everyone.

- In the most recent Exhibit B, VTAC units were prohibited. I think this is another case where technology has gotten much better and we should be permitted to use them, especially if we are only doing one building. Having the ability to use the VTAC units saves space onsite and allows us to not have compressors everywhere around the building or on the roof which can be a management issue. The new systems are also energy efficient which allows us to save space and be efficient.

Thank you for your time and thoughtfulness in review of this information.

Have a wonderful day

Respectfully,

Be safe and well

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From: Tara Hall <tshall@nchfa.com> **On Behalf Of** RentalHelp
Sent: Friday, September 12, 2025 9:39 AM
Subject: First Draft 2025 QAP

The First Draft of the 2026 Qualified Allocation Plan, Major Revisions Memo, Draft Appendices B & G and other additional forms are now available on the Agency website:

<https://www.nchfa.com/rental-housing-partners/rental-developers/qualified-allocation-plan/2026-qualified-allocation-plan-qap>

The Agency welcomes feedback on the first draft of the 2026 Qualified Allocation Plan. Please submit comments by October 10, 2025, to rentalhelp@nchfa.com. All comments received will be posted on our website

The Public Hearing will be held Thursday, September 25, 2025 at 1pm. More information will be provided in a separate announcement.

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