## Tara Meredith

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**Sent:** Tuesday, October 6, 2026 9:12 PM
**To:** RentalHelp
**Subject:** EXTERNAL: 2027 QAP - 1st Draft - comments

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My comments for the 1st Draft of the 2027 NC QAP:

1. Deletion of Olmstead points now will push a race to the top counties in Appendix L. These are very rural counties. Further, a key tiebreaker is the deal with the most units which will push deal sizes in these counties past a healthy level. I would suggest replacing the Olmstead structure with something similar to continue to point developers to the larger, growing counties.

2. Allocation Fee. Every year, the allocation fee % increase 0.02 points while the cost side upon which is calculated increases as well. It is a double dip on the backs of these deals.

3. Deferred Developer Fee. 50% is pushing deals past a responsible level. Syndicators and lenders do not want to fund that. It simply means the deal is not fully funded. If anything, it should be reduced to 10 or 15%. With a key tiebreaker being the deal with most amount of units, it sets up deals for failure.

4. Race to the bottom. I believe the tiebreaker of the deal with the most units is causing another race to the bottom. The hard costs of some applications in 2026 were unrealistically low and surely submitted in pursuit of more units with absolutely no chance of achieving the stated cost levels.

Thank you

Stephen