Tara Meredith

From: Patty Reeder - WKFS <pbreeder@wkfsllc.com>
Sent: Friday, October 30, 2026 1:13 PM
To: Tara Meredith; Sandy Harris; Scott Farmer
Subject: EXTERNAL: Comments to 2027 Draft QAP

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.

We respectfully ask that you consider the below comments as you work toward finalizing the 2027 QAP. We believe these recommendations could help address some of the challenges facing affordable housing developments while supporting the overall goals of the program.

Thank you for your time, consideration, and continued commitment to affordable housing throughout North Carolina. We appreciate the opportunity to participate in the process.

2027 NCHFA QAP Comments

1) **Self-Designated Priority Counties**: NCHFA to select up to 4 counties per region (East, Central, West) to serve as priority counties. These counties would receive a bonus point in the scoring to replace the Olmstead designation. Metro Counties not to be included in this
2) **Construction Materials Bonus**: Additional points allocated to a project utilizing no less than 75% Brick and/or Cementitious siding on all residential and accessory buildings
3) **Market Study**: Designate a tiered system by assigning points to projects with an overall lower cap rate at final market study. For example, a project with an over cap rate at or below 5% would receive an extra 3 points, between 5.1%-7.5% would receive 2 points and 7.51%-10% would receive 1 point. All projects above 10% overall cap rate would not receive any additional points
4) **In State Development Team**: One additional point added for each development team member (Developer, Architect, General Contractor, Attorney, Management Company) with primary offices and/or Headquarters located in North Carolina, at the time of formation.
5) **Efficiency of Credit**: Lowest credit per unit needs to be implemented back into the projects and the program. This mechanism has proven to provide and produce the highest number of units. Increasing efficiency in credits will also encourage developers and owners to hold their construction pricing true, over time.

6) **Developer & Credit Cap**: Remove both to allow the best overall deals for the state to be developed rather than providing an equal shot for all developers/projects. The best overall projects no matter the developer are the most beneficial to the state and the program.

Best Regards,

Patty Reeder