

Chris Austin

Subject: FW: 2016 QAP

From: Danny Ellis [<mailto:dellis@gemmanagement.net>]

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To: Bob Kucab <arkucab@nchfa.com>

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I would like to submit the following comments to be considered for the 2016 QAP:

I do not feel that more than one application should be allowed per site. I feel that an applicant should put together the strongest application that they possibly can and submit it accordingly. Multiple applications are nothing more than a "shotgun" approach where one is hoping that one of them will hit the mark. Both of them cannot be of the same quality and the idea should be to fund the highest quality applications that can be funded.

I am concerned that applications are being funded that are much too risky financially. I have spoken with multiple equity providers who have expressed the same sentiment. In one particular case I was told by one of the largest and oldest equity providers that they turned down the opportunity to submit quotes on some NC projects last year, and were not going to attempt to quote numerous NC projects for 2015. One particular 2015 awarded project was pointed out where they felt that the amount of awarded credit was only about 60% of the amount necessary. I personally know that I would rather not have a project than to risk submitting one such as this.

Concerning the targeted units we are being required make a part of the program, I feel that the 10% already required is a problem. Increasing this percentage would be a real detriment to the program. As much as 90% of our problems in some sites come from that 10% of the units. They are not only a problem for the management, but quite often also for the rest of the tenants as well. We can give you numerous specific examples of a variety of problems we have experienced from these targeted units. The oversight and lack of services from the lead agencies is very often far less than adequate.

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