

Solstice Partners, LLC

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First Draft 2019 Qualified Allocation Plan Comments

Below are our comments to the First Draft of the 2019 QAP:

Application, Allocation, Monitoring, and Penalty Fees (page 10):

Number 5 states that any project utilizing income averaging for which the Agency “is the bond issuer” must pay a monitoring fee of \$1,200. Does this confirm that bond deals can utilize the income averaging? See question below. In addition, if it’s a bond deal and there is another “issuer”, what is the monitoring fee?

Number 9 provides that an owner must cover the cost of an Environmental Review if receiving certain funds. Will this Environmental Review serve as the Phase 1 under these circumstances? Is there a set amount for the Environmental Review fee (i.e. market study fee)?

Site Score Criteria (page 12):

We are in favor of the small-town distance for maximum Amenity points increasing to 2 miles.

Market Analysis (Page 16):

Please clarify 2 (h) which provides “no more than 4 bands consisting of 30%, 40%, 50%, 70% and 80%.”

For Example, does four mean 30%, 50%, 70% and 80%? Each % is a band?

Income Averaging (page 17):

“Only new construction projects and rehabilitation projects...are eligible to utilize income averaging.” Are bond projects allowed to utilize income averaging?

Unit Mix and Project Size (page 20):

We are in favor of 84 units in the Central/East/West.

Applicant Bonus Points (page 21):

We are in favor of the applicant bonus point.

Allocation Terms and Revocation (page 32):

Number 5 provides that owners must record, prior to all other liens against the property, the Restrictive Covenants/Extended Use Agreement which we believe will may give lenders concern.

Thank you for your consideration of our comments. Please let us know if you have any questions about our feedback.