



WHEDA MULTIFAMILY GROUP



Presentation to SEWRPC
July 1, 2009

Multifamily Overview



Multifamily housing creation and preservation through:

- Direct Lending
 - Construction and Permanent Financing
 - New Construction, Rehabilitation, Adaptive Reuse
- Allocation of Low Income Housing Tax Credits (aka LIHTC or Section 42 tax credit program)
 - Credits are sold to generate equity for LIHTC developments

Policy Objectives



- Create Affordable Housing
 - All projects whether family, senior, supportive, rural or urban, must have an affordability component and must remain affordable for a period of years.
- Preserve Affordable Housing
 - Much of our existing affordable housing is aging, with affordability restrictions set to expire. There is an on-going effort to keep existing housing affordable.
- Encourage Strong Projects
 - These are real estate deals and they must work as such. There must be a market for the product and the deals must underwrite.
- Other goals
 - Sustainability, Accessibility, Special-Needs, Eventual Tenant Ownership, etc

Loan Products



Multifamily Loan Products

- Tax Exempt Bond Financing - Pooled and Stand-Alone
- Tax Credit Development Financing
- Construction Plus Loans
- Preservation Plus Loans
- Preservation Revolving Loan Fund

LIHTC



WHEDA is the State Allocating Agency for:

9% Competitive Credits

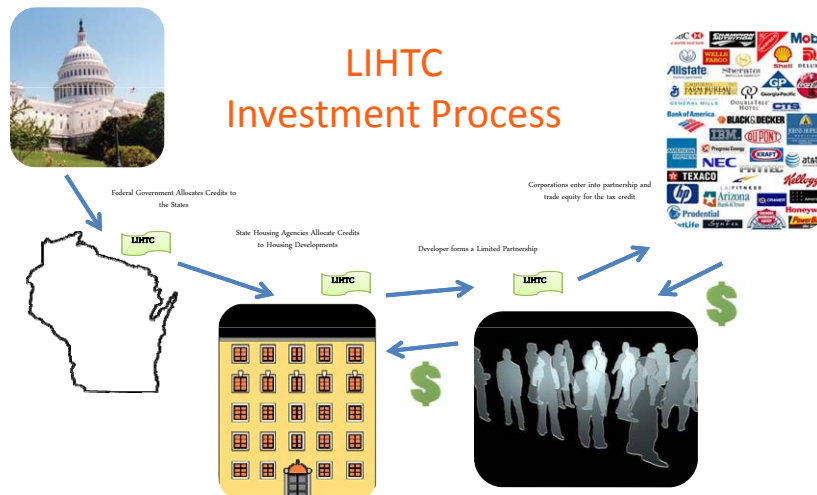
- Designed to fund 70% of Development Costs
- Allocated annually through a competitive process
- WHEDA develops competitive process outlined in the “Qualified Allocation Plan” or “QAP”

4% “As of Right” Credits

- Designed to fund 30% of Development Costs
- Automatic Credits are available when project is financed using Tax Exempt Bonds

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LIHTC Overview



Qualified Allocation Plan



2010 Set-Asides

- General – 35%
- Non Profit – 10%
- Preservation – 30%
- Rural – 10%

2010 Scoring

- Low Income Areas
- Energy Efficiency and Sustainability
- Local Support
- Mixed Income Incentive
- Large Families
- Lowest Income
- Supportive Housing
- Elderly Assisted Living
- Small Developments
- Market Appeal
- Universal Design
- Financial Participation
- Owner Characteristics
- Eventual Tenant Ownership
- Project Team
- Readiness
- Credit/Unit

Current Challenges



Multifamily housing is impacted by the current economic crisis:

- Diminished demand for LIHTC
 - Projects are unable to find investors
 - Investors that are active are seeking higher returns
- Reduced appetite for housing bonds
 - Lack of investment results in higher interest rates
- Market Considerations
- Other Funding Sources

New Resources



Disaster Credits

- Additional Resources for 2009, 2010, 2011

ARRA Resources

TCAP

- Soft financing for tax credit projects

1602 Exchange Program

- Grants/soft financing for low income projects



Multifamily Online



WHEDA.com

- Data Library
- Portfolio Reports
- On-Demand Training
- Multifamily Newsletter
- Term Sheets
- QAP
- Loan Application
- Indicative Rates
- Properties for Sale
- Regulatory Info
- Development Guidelines
- Forms and Manuals
- WHEDA in Your Area
- Senior Underwriter Contacts

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