

MEMORANDUM

TO: INTERESTED PARTIES
FROM: CHRISTOPHER L. LAGRAN, DIRECTOR OF LEGAL AFFAIRS 
SUBJECT: NOTICE OF CANCELLATION OF PROVISIONAL GENERAL FUNDING ROUND
DATE: OCTOBER 5, 2010
CC:

In an August 9, 2010 memorandum titled "Federal Extension of LIHTC Exchange Program", MSHDA announced its plan for allocating the remaining 40% of its 2010 Low Income Housing Tax Credit ceiling. In that memorandum, it was announced that a Supplemental Rolling Round would be opened on August 16, 2010 in which applicants with Hard Equity who can meet the Rolling Round threshold requirements were invited to apply for an allocation of 2010 tax credit ceiling under the 2009 Qualified Allocation Plan. If tax credit ceiling remained following the close of the Supplemental Rolling Round (originally planned to close on October 1, 2010, but extended until October 8, 2010) a Provisional General Round would be held to allocate the remaining credit ceiling (originally planned to be held on October 4, 2010, but extended until October 11, 2010).

In the memorandum, it was noted that, "Applicants considering a general round application should be aware that, depending on demand within the supplemental round, there may be very limited credit ceiling available. If enough applications are received in the supplemental rolling round to fully utilize remaining 2010 credit ceiling, the general round may be cancelled." As posted in the Low Income Housing Tax Credit Project Status Report dated October 4, 2010, there have been a substantial number of applications submitted in the Supplemental Rolling Round over the course of the past week. At this point in time, the total credit requested by the applications submitted in the Supplemental Rolling Round is \$15,286,526, while only \$9,469,255 of 2010 credit ceiling is currently available to allocate to these developments.

The intent of this memorandum is to clarify the status of credit availability for the 2010 Supplemental Rolling Round and Provisional General Round. Because the Supplemental Rolling Round is currently oversubscribed, the likelihood that forthcoming General Round applications (which have not already been submitted) will receive an allocation of credit is very slim. Accordingly, the Provisional General Funding Round is being cancelled.

As previously noted in the August 9, 2010 memorandum, and further outlined in the 2011 QAP, the Authority intends to begin taking applications for the 2011 Rolling Round, only after all 2010 credit ceiling has been exhausted. Further guidance regarding the timing of the 2011 Rolling Round will be forthcoming.

If you have any questions regarding this announcement, please contact LIHTC allocations staff at (517) 373-6007.