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From: Mara Mades <Mara.Mades@CornerstoneGrp.com>
To: Steve Auger; Nancy Muller
Sent: Fri Nov 02 14:00:16 2007
Subject: Universal Cycle 2008 - Public Comments

I was unable to attend last Friday's workshop, and noticed that Duval County's location was revised.

All of Duval County has consistently had economic (physical occupancy less concessions) occupancy well below 85% (if not below 80%) for the past five years. There should not be a carve out for any section of that county. I have been emailing the FHFC consistently during those years about the softness in the Duval market, even in between cycles.

In that market, in many areas market rents are approximately equal to tax credit rents. The premise of affordable housing is to provide housing to households who could not otherwise afford it. That is not the case in the bulk of Duval County, as those market rents are very close to tax credit rents. Therefore, to be consistent with the goals of the tax credit program, which is to provide housing for households who could not otherwise afford the rental market, it is also required to make it Group A, so that the maximum rents that can be charged are 50% AMGI, which is lower than the market rents.

With regards to Lee County, there has been some decline in the market from 95% occupancy to the low 90s. However, this has occurred in the past three months and it is not clear if this is a temporary issue related to the shadow rental market. This is significantly different from the historical five years of very poor economic occupancy in the Jacksonville market. I would not suggest at all that Lee County is Group A. If it is - then Ellenton in Hillsborough County should also be Group A, because it has dipped, and Brandon in Hillsborough County should also be Group A, because it has dipped below 90% as of the past few months. (And will continue to do so; 2,000 market rate rental units are programmed to come into the Brandon market over the next couple of years, and market rate rents in Brandon are not significantly higher than tax credit rents, so will make what is a temporary shadow rental market softness a soft market in Brandon probably for a few years to come).

Thank you for your consideration of these issues.