



MISSISSIPPI HOME CORPORATION
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HOUSING TAX CREDIT PROGRAM PROGRAM BULLETIN #2009-01

TO: Developers, Owners, Management Agents Representing Owners, Interested Parties and State of Mississippi

FROM: Katina C. Pace, Vice President of Tax Credits *KCP*
Mississippi Home Corporation

SUBJECT: 2009 Cycle Notifications and Disclosure of Average Purchase Price

DATE: March 12, 2009

The 2009 Tax Credit cycle will proceed as currently scheduled pursuant to the 2009 Qualified Allocation Plan (QAP). Applications will be accepted March 30-April 3 at 2:00 p.m.

The Mississippi Home Corporation (MHC) is currently considering the provisions introduced in the American Recovery and Reinvestment Act of 2009. It is anticipated that additional guidance relative to the Tax Credit Assistance Program (TCAP) and Housing Tax Credits Exchange Program will be issued from HUD and the Treasury, respectively, in the near future. This guidance is vital to MHC in being able to most effectively utilize these resources in the best interest of affordable rental housing development for Mississippi's residents. MHC will release details of our plans for implementation of these programs expeditiously after release and consideration of such guidance. HUD has recommended that states not commit any TCAP funds or accept applications for such funding until further guidance is provided. Applicants seeking an award of housing tax credits in the upcoming cycle must not include any "anticipated" TCAP funds as a financing source. Additionally, all applications must contain syndication letters of intent for the proposed development.

On page 8 of the QAP, item 3 of Section 1.6 Application Financial Feasibility Review states that, "The Corporation will conduct its initial financial feasibility review utilizing the current market value of the average tax credit sales price, utilizing separate industry averages for developments of 48 or fewer units and for developments with greater than 48 units." Based on information obtained from numerous tax credit investors and in consideration of the present market conditions, MHC will utilize **\$0.66** as the average purchase price for all applications submitted during the cycle. MHC will also underwrite using other prices for applications which include additional documentation outlining the anticipated purchase price of tax credits for the proposed development from their prospective investor.

This Program Bulletin shall supplement the 2009 QAP of the Mississippi Home Corporation (MHC).