

DGA Residential, LLC  
3834 Sutherland Avenue  
Knoxville, TN 37919

SC Housing LIHTC Program  
300-C Outlet Pointe Boulevard  
Columbia, SC 29210

RE: DGA Residential's Comments for 2021 Draft QAP

To whom it may concern:

Below are our comments regarding the 2021 Draft QAP:

- Appendix E, VII. Developments Utilizing Non-Competitive Tax Credits with Tax Exempt Bond Financing
  - Mandatory Design Criteria:
    - This is hard to gauge at this point as Section IV Mandatory Rehab Criteria of Appendix B is blank. We support the agency's approach in 2020 with regards to what applied to rehab deals and keeping the ability to request waivers when necessary.
  - Financial Underwriting:
    - We request the Agency keep the developer fee limits of the lesser of \$3,000,000 or 15% of Total Development Costs from the 2020 QAP. The higher developer fee helps create more equity which will help fund gaps with the new state housing tax credit and will result in more rehab/construction dollars being spent and better overall outcomes.
    - We request that the Agency cap the deferred developer fee at an amount that can be repaid within 15 years instead of 50%. This is consistent with what investors require.
  - Priorities for Awarding 4% LIHTC/Bond Deals
    - How will SC Housing prioritize funding 4% LIHTC/Bond deals? First come, first serve or will there be a priority listing like there was in September 2020?

We appreciate the opportunity to submit comments with respect to the 2021 Draft QAP. We have recently begun acquiring affordable housing properties in South Carolina and are excited about working with everyone at SC Housing.

Sincerely,



Craig Cobb

Vice President of Affordable Housing  
DGA Residential, LLC