Subject: rehab- consideration of agency issued basis boost on need

---

From: Holly Douglas
Sent: Thursday, November 5, 2026 3:10 PM
To: Taxcreditquestions
Subject: rehab- consideration of agency issued basis boost on need

Good morning,

Please look at applications funded in prior rehab rounds, and stress some of those developments now without the basis boost, without vouchers, and/or backing the purchase price into a workable number/not at arm's length...some do work, but many more, I believe, do not. We are finding it very difficult to pencil rehab deals outside a QCT without vouchers or substantial soft funding if we arent able to manipulate the purchase price being derived from appraisals and/or BOVs. Older deals 64-72 units in strong markets that are small for the bond program are pretty tough without some kind of basis boost.

NCHFA has an agency-designated basis boost option in their QAP allowing for requests to boost between 10-30%. We propose considering some boost to the fed. Credit on non DDA/QCT rehabs to make these deals more feasible; if not this year, then please in the following.

Respectfully,
Holly