

**From:** Anna Hamilton [<mailto:Anna@sccommunityloanfund.org>]  
**Sent:** Monday, November 26, 2018 11:36 AM  
**To:** Nicholson, Laura 6-9190  
**Subject:** QAP /Land Leases

Hi Laura,

I know the formal comment period for the QAP is over, however, I wanted to weigh in on the proposed change to page 13 of the 2019 tax credit manual prohibiting related party land leases in Section 9d. This could create a significant barrier to affordable housing development.

Land leases (related party or not) are many times the key to successful affordable multifamily developments. Land leases keep the large land cost out of the development budget, and for many organizations looking to develop on land that they own it is integral to making the deal work.

Please do not include the land lease prohibition in the 2019 QAP given that related party land leases are many times the key to making projects work. Lowering development costs are key to creating feasible projects.

Perhaps a remedy to address land lease payments could be a mechanism that establishes lease payment as a "not to exceed" percentage of the land value. This would present a level playing field for all projects and allow for productive land leases to decrease development costs and encourage more development.

Thank you for your consideration.  
Anna

**Anna Lewin**

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