



**WNC Launches 53<sup>rd</sup> Tax Credit Fund**

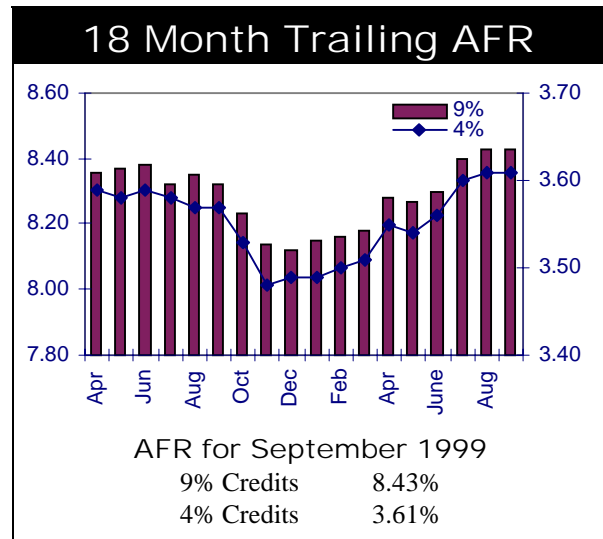
WNC launched its 53<sup>rd</sup> tax credit fund in September, **WNC Housing Tax Credit Fund VI, Series 7 and 8**, a \$50 million public offering for individual investors and small to mid-size banks and corporations. The fund follows fourteen previous public funds by WNC that were registered with the Securities and Exchange Commission and distributed by WNC's national network of financial planners, stock brokers, insurance agents and financial advisors. With more than 14,000 institutional and individual investors nationwide, WNC has been successful raising capital in both the corporate and public marketplace. WNC continues to expand its already diverse investor base which allows the company to acquire a broad range of tax credit projects. For example, WNC's public funds can acquire smaller properties—with as little as \$40,000 per year in credits—while most corporate funds target much larger properties.

**WNC Acquires 98<sup>th</sup> Property in Texas**

WNC recently expanded its property mix in the Lone Star state, closing \$7 million of investment equity in three projects in Houston, San Marcos and Cameron. The recent acquisitions bring WNC's Texas portfolio to 98 properties. In keeping with WNC's relationship tradition, 90% of these properties are from "repeat" developers who have used WNC as their equity provider on multiple projects.

**Innovation Inside the Beltway**

Washington, D.C. is not normally known as an innovative place. Big government, politicians and a city government plagued with, well, a not-so-stellar reputation. Yet, inside the Beltway, only blocks from our nation's capital, a successful non-profit is bucking the trend. Teaming up with nearly \$3 million of WNC equity and the nation's largest computer software company—Microsoft—this innovative non-profit developer is completing a state-of-the-art property with cutting-edge software, technical assistance and training resources for tenants. The project will feature access to a 60 station computer center, a property based computer network linked to each unit and an on-site, comprehensive training program. The property also sits only steps away from one of the most sought-after amenities in the area—the Washington D.C. subway system.



**Homes in Memphis**

Working with an experienced Tennessee builder/developer, WNC recently completed the 3<sup>rd</sup> of three tax credit investments in single-family home developments in Memphis. The investment equity, totaling more than \$7 million, went to scattered site projects located around the downtown area, primarily communities undergoing redevelopment. All of the completed new homes have been leased prior to construction completion, reflecting a strong demand by residents of the Memphis community to live in affordable single family homes.

**Tax Credit Increase Passes; Veto Looms**

The House and Senate passed the conference report for H.R. 2488, the \$792 billion tax cut measure. The bill includes an increase in the housing tax credit from \$1.25 to \$1.75 per capita which would be phased in over 5 years. It also establishes a minimum annual cap of \$2 million for small states beginning in 2000. The bill would also increase the annual limit on the amount of private activity bonds that can be issued in each state to the greater of \$75 per capita or \$225 million, beginning in 2000 (up from \$50 per capita or \$150 million). The housing tax credit is indexed for inflation while the tax exempt bond is not. The President is expected to veto the bill due to his opposition to the size and scope of the tax cut that the bill contains.

