



## Third Quarter 2000

### WNC Closes \$50 million in Equity

WNC recently closed two institutional tax credit funds totaling approximately \$50 million of equity investment. The funds' portfolios are 100% specified with 13 properties in 6 states including Nevada, New Jersey and New York, North Carolina, South Carolina, and Texas. The first fund, structured as two separate portfolios specifically for national and regional banks located in New York and New Jersey, brings WNC's holdings in those states to over \$60 million. These funds bring WNC's total real estate holdings to more than \$1.2 billion representing 25,000 units in 40 states and the District of Columbia.

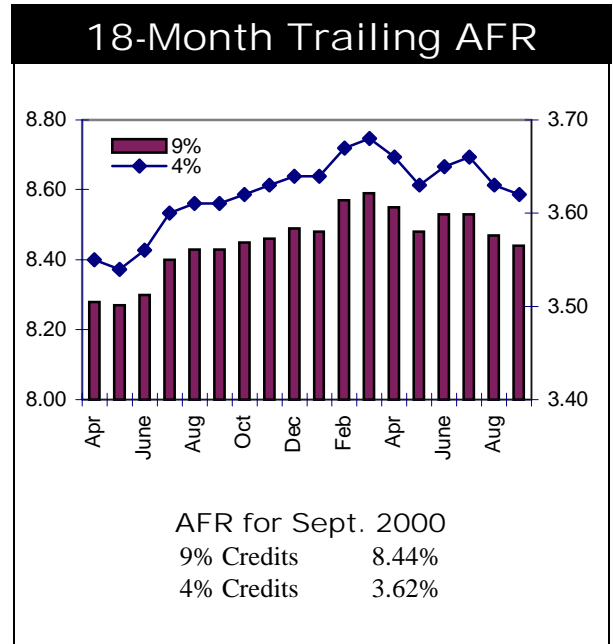
### U. S. Government Attacks Discrimination in Tax Credit Properties

Three federal agencies have designed a master plan to coordinate and advance their efforts with regard to compliance of tax credit housing under the Fair Housing Act. Under this agreement HUD is responsible for investigating charges and attempting conciliation if there is reasonable cause to believe discrimination took place. Cases can result in the property owner receiving a notice that a finding of discrimination could jeopardize their tax credit eligibility. The Department of Justice could, under certain circumstances, file lawsuits, enter into settlement agreements and consent decrees and seek court judgments. Full text of the memorandum may be found at [www.housingonline.com/fairmou.htm](http://www.housingonline.com/fairmou.htm).

### Senate and House Debate Tax Credit Increase

The House passed the Community Renewal and Markets Bill (H.R.4923), which includes an increase in the tax credit program from \$1.25 to \$1.75 per capita over a six-year phase-in period, with indexing for inflation thereafter. Bond caps and statewide minimums would also be increased, but bond caps would not be indexed thereafter under the bill.

A similar bill was introduced in the Senate that provides increases in the credit and bond caps and



provides indexing for inflation, but increases the cap all up-front, with no phase-in period.

Washington sources indicate that a version of the Community Renewal Bill could be passed as stand-alone legislation or attached to a larger reconciliation bill and passed before Congress adjourns.

### Congressional and State Leaders Meet with WNC

A member of the U. S. Congress and the director of California's state credit agency addressed a crowd of developers from around the country at a WNC sponsored symposium held in Southern California. Congresswoman Loretta Sanchez (D-CA) spoke in favor of the low-income housing tax credit but said getting HR 4923, the bill to increase the credit, signed into law would be a long shot. She said other priorities, including spending bills not yet passed, would probably take priority in Congress, which only has a few days remaining before it adjourns this session. Jeanne Peterson, Executive Director of the California Tax Credit Allocation Committee, also spoke in support of the tax credit increase and discussed the many issues facing the states with respect to the qualified allocation plans. Other speakers at the event included WNC staff and national experts in tax credit management, tax law and non-profit services.

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