



WNC Closes \$150 Million in Equity

WNC closed investors into five separate funds totaling approximately \$150 million in equity to acquire 28 properties in 17 states. Together, these properties will provide nearly 2,000 apartments to families and seniors nationwide. WNC has continued its trend of offering national, regional and private label funds with a diverse base of investors, including 21 institutions located nationwide. These funds included a national, multi-investor fund for institutions, a private label fund for a single investor and three separate funds for New York, California and Georgia institutional investors. WNC also continued its commitment towards repeat relationships with developers, which is demonstrated by the fact that more than 60% of the developers WNC is investing with are those with whom WNC has had a previous relationship. WNC has specialized in affordable housing investments since 1971. Over the past 32 years WNC has acquired over 31,000 apartment units, representing \$1.8 billion in assets.

Out of Reach 2003 Reports National Housing Wage Almost Triple Minimum Wage

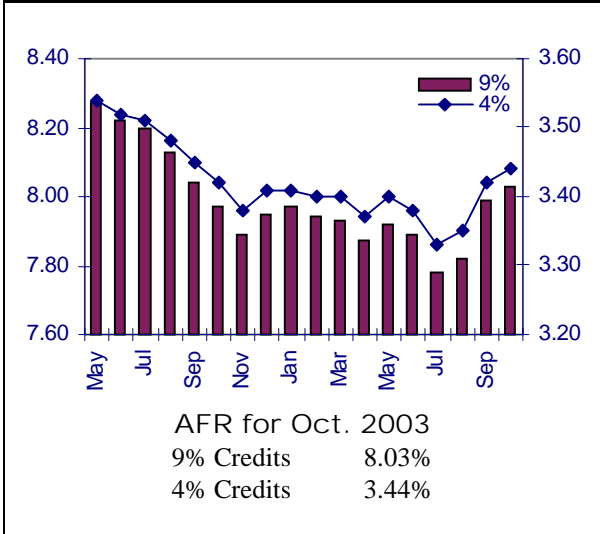
The National Low Income Housing Coalition (NLIHC) has released Out of Reach 2003. The study focuses on what the NLIHC dubs the "Housing Wage," defined as the hourly wage needed for a single worker on a 40-hour work week to afford a two-bedroom apartment at the Fair Market Rent (FMR). The nation's Housing Wage this year is \$15.21, almost triple the federal minimum wage of \$5.15.

The NLIHC has released its complete findings and a summary of their data on their website, http://www.nlihc.org/oor_current. Data on website may be retrieved interactively for an entire state, county or Metropolitan Service Area (MSA). The information retrieved compares the cost of rental housing to wages at various levels and indicates how wide the income to rental cost is for the given area. Results can be e-mailed or downloaded. Also included at rankings of the least affordable states, counties and MSAs.

WNC Submits \$150 Million Request for New Markets Tax Credit

WNC submitted its second application for the New Markets Tax Credit, requesting \$150 million. WNC's application included \$160 million of statements of interest from institutional investors and specified properties totaling \$153 million. This application follows WNC's first application which resulted in a \$50 million award of NMTC. WNC's current service area for investments using NMTC includes CA, NJ, and the New York Metropolitan Service Area; to see qualified communities in this area or other information on WNC's NMTC program, visit our website at <http://www.wncinc.com>. Announcement of the awardees for the second round is expected in March 2004. The New Markets Tax Credit was created by the Community Renewal

18-Month Trailing AFR



Tax Relief of 2000 which is focused on developing community businesses, including commercial real estate. The CDFI announced the second round in July, for which \$3.5 billion in equity will be awarded. The \$3.5 billion represents a combined allotment for 2003 and 2004. Those applicants who received a 2002 allocation must show they have closed half of their 2002 allocation in order to be eligible for the 2003 allocation.

State of the Nation's Housing: 2003 Released; "Dire Shortage" of Affordable Housing

Harvard's Joint Center for Housing has released its annual report, *State of the Nation's Housing: 2003*. Although the study found that the housing market has remained strong and forecasts solid growth, this same growth is part of a persistent housing affordability problem. While income has stagnated among lower income households, rental prices have kept pace with inflation. According to HUD's fair market rent measure, states the study, "households with one full-time minimum wage worker cannot afford to rent a one-bedroom apartment anywhere in the country." Data provided in the report indicates that 20% of all renter households surveyed have a moderate cost burden; another 20% have a severe cost burden.

The report also called attention to the "dire" shortage of affordable housing units, citing current trends which prevent more units from being added and that the units currently available could be lost. According to the study, "At a time of rising demand, the remaining federal production programs—the Low Income Housing Tax Credit, HOME, and CDBG—are vital to forestall net reductions from the low-cost housing stock." A copy of the report may be downloaded from the Joint Center for Housing website at http://www.jchs.harvard.edu/media/son_release_2003.htm.

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