



June 2004

WNC Portfolio Surpasses \$2 Billion

WNC's portfolio reached beyond the \$2 billion mark as the company achieved its 33rd anniversary this May. WNC has raised over \$1 billion in equity for affordable housing projects since its inception. Founded in 1971, the company began offering investments in affordable housing even before Congress made the tax credit law. Since its beginnings WNC's umbrella of services and products has grown to include asset management, property management and commercial lending under the New Markets Tax Credit.

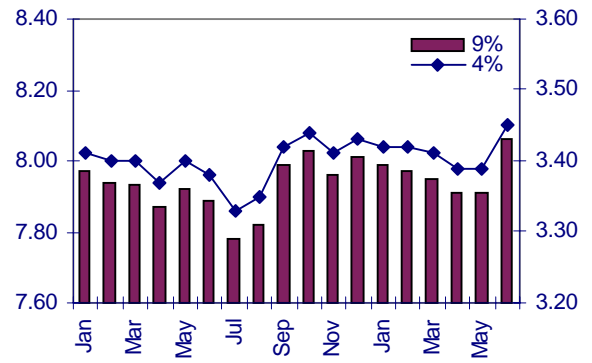
GAO Recommends Tighter NMTC Compliance Monitoring

In a report to Congress about the New Markets Tax Credit (NMTC), the General Accounting Office (GAO) criticized that the Community Development Financial Institutions Fund (CDFI) and IRS need to develop tighter compliance monitoring. The report found that although the CDFI and IRS have identified data to monitor, how the data will be used is still not well defined. Furthermore, although the agencies believe they have time to develop a usage plan, the GAO pointed out that there is not yet a schedule and that several deadlines, such as selecting CDEs and developing allocation agreements, were missed, ultimately causing delays in investing the tax credits into needy communities. The GAO recommended that the CDFI and IRS develop a compliance plan, including milestones. The report may be downloaded at www.gao.gov/new.items/d04326.pdf.

Congresspersons Visit WNC Headquarters

Three U.S. Congressional members visited WNC headquarters in Irvine, CA, recently to discuss issues relating to affordable housing. Christopher Cox (R - CA), Darrell Issa (R - CA) and Loretta Sanchez (D - CA) all stopped by WNC to discuss the national agenda for affordable housing and its status and New Markets tax credits and the challenges of the new prevailing wage law. WNC expressed a need for their continued support for affordable housing tax credits. Congressman Cox serves as Chairman of the House Policy Committee and heads the Homeland Security Committee. Cox's other responsibilities include the House Leadership Steering Committee and membership on the Committee on Energy and Commerce.

18-Month Trailing AFR



Minnesota Properties Recognized

The (Minneapolis/St. Paul) *Business Journal* has named two properties that WNC has acquired as winners in its Best in Real Estate 2003 issue. Falcon Heights, named after its location, won in the mixed-use category, while Gateway Village in St. Paul won in the multifamily category. Both projects are under construction. Judges favorably noted that Falcon Heights made extensive use of public and private partnerships and will make good use of a previously disused intersection. Gateway Village features a variety of units which are both for sale and rent. The properties were judged on several factors, including cost, appearance, and impact on the real estate market and community.

Ed Peters Named President of WNC Management

WNC has promoted Ed Peters to President of WNC Management, WNC's property management arm. WNC Management currently manages approximately 2,000 units in 14 California and Nevada counties and is projected to over double this figure within three years. Backed by WNC's 33 years of experience in affordable housing, WNC Management offers expertise in housing programs under Section 42, HUD Sections 8 and 236, rural development 515 and 538 and California housing programs. Mr. Peters has over 14 years background in affordable housing. He serves on the Board of Directors for Affordable Housing Management Association/ Pacific Southwest (AHMA/PSW) and is a Housing Credit Certified Professional (HCCP).

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