



October 2005

WNC Closes 8 Funds by FYE; Reaches New Company Milestones

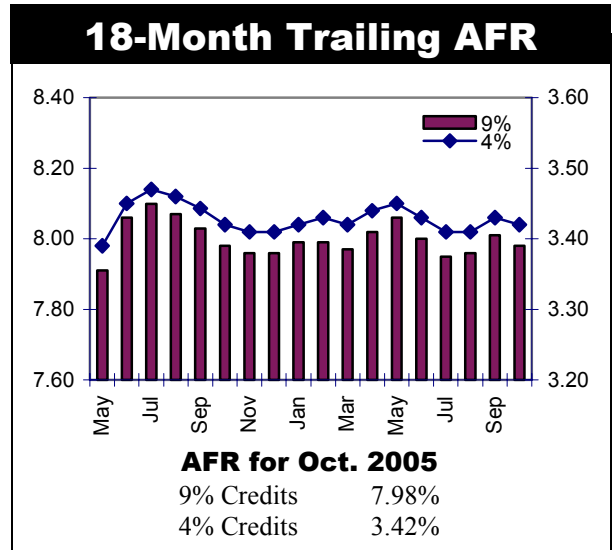
WNC closed its year end with eight more funds in its already diverse family. Fund closures included public, private, institutional, regional, national, New Markets, and state only funds, offering developers a wide array of possibilities for their properties. Forty-five LIHTC properties were acquired. The funds represent a portfolio cost of over \$316 million, which brings WNC's total portfolio to over \$2.5 billion. WNC also sponsored over \$12 million in additional New Markets Tax Credit loans, for a total of nearly \$35 million in this newly created tax credit.

WNC again made tax credit history and reached company milestones. WNC proved its ability to adapt to the evolving tax credit market by becoming the first investor in Brownfield tax credits (see separate article in this newsletter). New relationships were forged with institutional investors as well as with ten developers. The number of units under WNC Property Management, a subsidiary of WNC & Associates, grew to 2,000 units this fiscal year.

WNC Housing Shelters Hurricane Katrina Displaced Families

In response to what some are calling the nation's worst natural disaster, the IRS has temporarily waived certain low-income housing qualification requirements for tax credit properties for individuals displaced by Katrina. WNC properties in Texas, Alabama, Arkansas, Oklahoma and South Carolina are currently housing or taking applications from displaced individuals and families. WNC began to accept applications immediately after the storm and began housing Katrina victims shortly after the IRS income and non-transient status qualifications were waived. So far 100 Katrina displaced families are residing or have applications pending for low-income housing sponsored by WNC. "WNC is fortunate to have housing in the right place and time so that we can help citizens of the New Orleans area in their time of need," remarked Vice President of Asset Management Tom Hollingsworth.

Prospective applicants who were living in the areas of Alabama, Louisiana, or Mississippi which have been designated for Individual Assistance by FEMA need not meet qualifications for income limitations or non-transient status. Those affected may live in low-income housing until September of 2006, at which time the occupancy status of the unit will revert to what it was



before the storm. More information may be obtained from the IRS website at <http://www.irs.gov/newsroom/article/0,,id=147239,00.html>.

WNC First to Invest in New York Brownfield Credits

WNC closed BX Parkview I in the Bronx, New York, with an additional investment made this year which added New York Brownfield credits. WNC the first to invest in a property with the Brownfield credits. New York Brownfield credits were created in October 2003, when Governor Pataki signed the Brownfield Cleanup Act. The purpose of the Act is to encourage development of land which has been contaminated by industrial or commercial processes. The developer receives both credits and a covenant not to sue from the Department of Environmental Conservation and the State Attorney General.

In the case of Parkview the land was previously used for automobile services which used oil underground storage tanks. Oil contaminated soil was removed and a vapor extraction system will service the site when construction is complete. Once built Parkview will house 110 families.

WNC Names Gregory Hand Vice President - Acquisitions

Gregory Hand, a long-time employee of WNC, has been promoted to Vice President – Acquisitions. Under the leadership of Senior Vice President Michael Gaber, Greg will oversee day-to-day Acquisition Department operations. Mr. Hand has over 18 years experience in real estate analysis, development and management, including commercial real estate development. Mr. Hand has thorough knowledge of WNC's operations gained through his experience in both the Asset Management and Acquisitions Departments.

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