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**FOR IMMEDIATE RELEASE**

**Novogradac & Company LLP to Reveal Initial Findings of Rent Growth Study at the 14<sup>th</sup> Annual Affordable Housing Conference, October 4-5, 2007.**

**SAN FRANCISCO** – San Francisco-based Novogradac & Company LLP will present as part of its **14<sup>th</sup> Annual Affordable Housing Conference** held October 4-5, 2007 at the Westin Market Street in San Francisco, Calif. its initial report on rent growth based on the U.S. Department of Housing and Urban Development's (HUD) new methodology. The results of the report will be discussed in detail by Novogradac & Company LLP partners Blair Kincer and Brad Weinberg at the **Market Trends: Fundamentals Face Turmoil** panel, which will be held from 11:30 a.m. to 12:20 p.m on Thursday, October 4.

In 2007, HUD began using a new data source, the American Community Survey, to arrive at area median gross income calculations, a source the department considers to be more accurate than the data sources it used previously. However, the more accurate data shows a largely negative adjustment to the 2006 area median income (AMI), leading many to conclude that HUD's calculations could have been incorrect and over-estimated median incomes over the last several years. Although AMI decreased, the HUD standard for tax credit projects is the very low-income (VLI); for the most part, the VLI was held at its 2006 amount and therefore had no decrease.

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Kincer and Weinberg will examine the gap between the 2006 VLI that HUD uses to calculate maximum allowable income for low-income housing tax credit properties in a given area, and the 2007 AMI levels. VLI limits are arrived at by running the AMI through a series of calculations and exception checks, the result of which often creates a gap between VLI and AMI levels. It can, for example, be kept slightly higher due to exceptions, such as 1) higher state AMI for non-metro areas; 2) historical exception where amounts are held at prior-year limits; or 3) high housing cost areas using fair market rents.

In that light, Weinberg and Kincer will review the potential for rent growth in various counties across the United States. They will map the impact the HUD methodology will have on counties that will likely not see income and rent increases for several years, as well as illustrate the number of years it will take to recover.

Don't miss this important presentation to learn what property owners and developers can expect in their ability to increase rents over the next several years.

Join Novogradac & Company LLP at the **14th Annual San Francisco Affordable Housing Conference** on October 4 and 5 to discuss this and other recent developments affecting the affordable housing industry. Conference details and the complete conference agenda can be found at [www.novoco.com/events](http://www.novoco.com/events).

The **14th Annual Affordable Housing Conference** is being co-hosted by Citi Community Capital; JPMorgan Chase; and Sonnenschein Nath & Rosenthal LLP. Sponsors include, AIG SunAmerica Affordable Housing Partners; ARCS Commercial Mortgage; D.A. Davidson & Company; Domus Systems; Enterprise Community Investment; MMA Financial; Orrick; Pillsbury Winthrop Shaw Pitman LLP; Polsinelli Shalton Flanigan Suelthaus PC; Prudential Financial; Red Capital Markets Inc.; and Wachovia Securities.

San Francisco-based Novogradac & Company LLP is a national certified public accounting and consulting firm that specializes in community development and affordable housing. With offices in Austin, Texas; Boston, Mass.; Cleveland and Dover Ohio; San Francisco and Long Beach, Calif.; Metro Atlanta, Ga., Kansas City, Mo. and Washington, D.C., the firm provides a full spectrum of attest, tax, valuation, market research and consulting services to community development and affordable housing developers, syndicators, lenders and investors.

For more information about Novogradac & Company LLP's **14th Annual Affordable Housing Conference**, contact Jane Bowar Zastrow at 415.356.8034, or email [jane.zastrow@novoco.com](mailto:jane.zastrow@novoco.com).

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