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Dear Affordable Housing Developer,

As you may know, the American Recovery and Reinvestment Act of 2009 (“ARRA”) contained provisions specifically related to affordable housing development. The purpose of this letter is to notify you of the Equity Replacement Program (“ERP”) the Illinois Housing Development Authority (“IHDA”) is administering in response to the ARRA legislation that may be beneficial to your development.

Between September 21, 2009 and October 5, 2009, IHDA will be accepting the second round of ERP applications from sponsors of certain projects that were awarded either 9% or 4% 2008 or 2009 Low Income Housing Tax Credits (“LIHTC”) and projects that were awarded 2008 or 2009 Midwest Disaster Tax Credits from IHDA.

In general, eligible projects are those that received an award of 9% or 4% 2008 or 2009 LIHTC’s and 2008 or 2009 Midwest Disaster Tax Credits that have not yet completed construction and that have a financing gap created primarily as a result of reduced pricing for, or an investor’s demonstrated lack of interest in, a project’s LIHTC

According to our records, your project may be eligible to apply. The ERP program overview and competitive selection process, application checklist, and application are being revised and will be available on the IHDA website when complete.

If you have any questions, please do not hesitate to contact Linda Thurmond at (312) 836-5292 or Stephen Gladden at (312) 836-5351.