

AFFORDABLE HOUSING

FINANCE

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IN THIS ISSUE:

- > HUD SECRETARY JACKSON RESIGNS
- > SUPPORTIVE HOUSING'S YOUTH REVOLUTION
- > REGIONAL REPORT: MIDWEST

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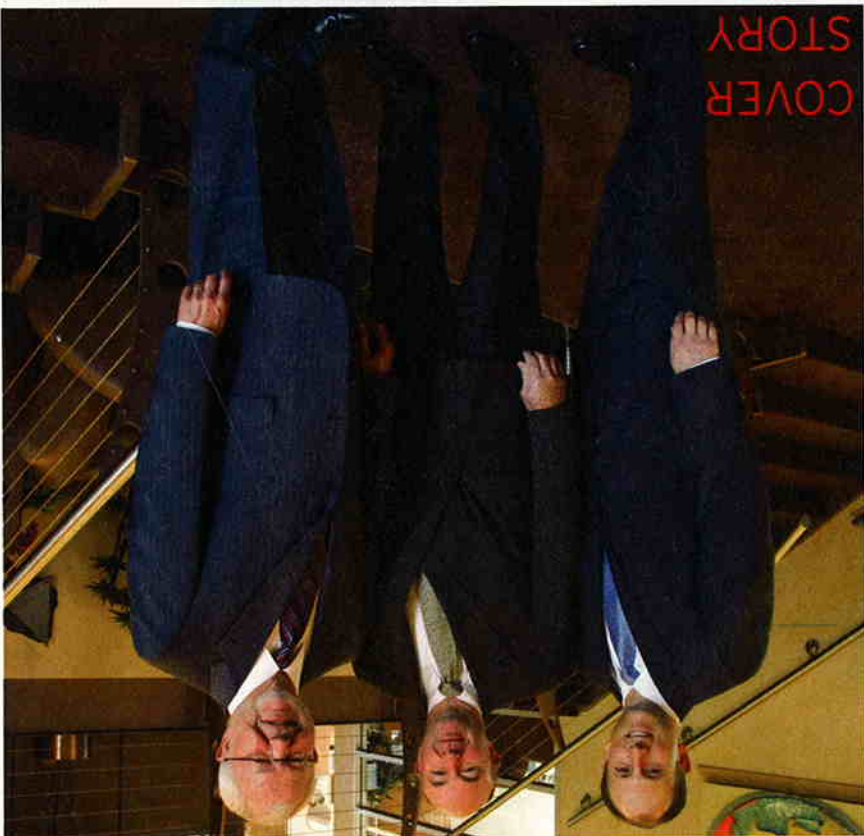
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The AHF 50: NRP Group Stands Strong



FEATURED ARTICLES



COVER
STORY

Here they are: The AHF 50. The top affordable housing owners and developers are revealed in our exclusive lists. See how many units are owned and how many units were started in 2007 by the leading companies. The NRP Group topped the list of developers with more than 1,700 units started last year, and the Michaels Development Co. was the largest owner with more than 40,000 units. (Photo by Anthony Gray)

Jackson's Resignation Ends Troubled Era at HUD

When he finally resigned nearly two years after telling a public meeting in Dallas that he directs contracting decisions for political reasons, Department of Housing and Urban Development (HUD) Secretary Alphonso Jackson ended an especially troubled period in the agency's checkered history. But the allegations of corruption and self-dealing at HUD go way beyond Jackson, and



it's unclear if federal investigators will charge anyone with crimes.

14

CONTENTS

DEPARTMENTS



Buzz 8

AFFORDABLE HOUSING FINANCE and Editor-in-Chief Andre Shashaty were recently recognized with two Jesse H. Neal National Business Journalism Awards. Read all about it in Buzz.

Housing Policy

What should the next president do about housing? You tell us. We have digested your votes in response to the cover story in the March issue of AFFORDABLE HOUSING FINANCE and present the results in this issue. We invite your comments.

Finance 26

Leaders of several state equity funds report on what they are seeing in the bumpy low-income housing tax credit market and how they are approaching this year.

Finance 28

Good news for developers who rehab landmark buildings: Historic rehabilitation tax credits still earn high prices while other subsidies lose value.

Finance 30

Fannie Mae and Freddie Mac are coming off of record years and are poised for another, although their investments in low-income housing tax credits continue to lessen.



Managing members (from left) David Heller, Alan Scott, and Richard Bailey founded The NRP Group, LLC, with a tiny staff of about a dozen people in Cleveland in 1995. NRP now has 259 staff members at six offices.
(Photo by Anthony Gray)

View From the Top

A new and mighty AHF 50 revealed

BY DONNA KIMURA

Developers making the AHF Top 50 list this year started an impressive 30,957 affordable housing units in 2007. That's 32 percent more than the number of starts produced by last year's top developers.

In a strong show of consistency, The NRP Group, LLC, held onto the No. 1 spot for the second consecutive year, starting 1,765 affordable housing units in 2007. The number is an increase from the 1,580 units that the company started in 2006. But, perhaps in a sign of how tough the real estate capital markets are getting to navigate, the Ohio-based firm anticipates starting fewer affordable housing units—1,327—this year. The NRP Group is also expanding its market-rate housing business. "We were need-

ing to diversify," said J. David Heller, managing member.

Other firms that have focused on affordable housing, including AMCAL Multi-Housing, Inc., in Agoura Hills, Calif., and Herman & Kittle Properties, Inc., in Indianapolis, also noted plans to begin or expand their efforts in building market-rate apartments.

"We are not slowing down on the affordable side," said Jeff Kittle, executive vice president at Herman & Kittle. "The market-rate side is an extension of our business."

In some markets, an affordable deal may not work because of land or construction costs, he said. The best product might be a market-rate development. "We view it as an opportunity," Kittle said.

AFFORDABLE HOUSING FINANCE's list of leading developers is made up of 36 for-profit companies, 14 nonprofits, and one

public housing authority. Two companies tied for the No. 17 spot, resulting in an extra firm making the list. Twenty-two of the developers are new to the AHF 50.

"AFFORDABLE HOUSING FINANCE is really pleased to present the AHF 50 top owners and developers lists for a second year in a row. Industry response increased this year to give us a better look at the nation's affordable housing figures, which exemplifies the depth and activity level of owners and developers today," said Christine Serlin, executive editor of AFFORDABLE HOUSING FINANCE.

The only list of its kind in the industry, the AHF 50 shows how many units are under development by the leading companies. The results are compiled from a voluntary survey. This year, AFFORDABLE HOUSING FINANCE received responses from 130 national and regional companies from around the country, a notable 35 percent increase from last year, creating an even