



Dreamcatcher

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2007 Tax Credit Awards

by Elizabeth Glynn

Tribal Housing Authorities across the country were awarded more than \$5.3 million in tax credits (worth an estimated \$48 million in investor equity) in application rounds since January 2007—funding that will help rehabilitate or construct more than 375 affordable housing units in Indian Country.

Travois worked with tribes and housing authorities who received an allocation of 2007 tax credits in Arizona, Montana, New Mexico, North Dakota, South Dakota, Washington and Wisconsin.

“We are thrilled to assist in the development of affordable housing throughout Indian Country,”

David Bland, Travois President, says. “We are very proud of this achievement and we look forward to an even greater level of investment from awards yet to be made in Minnesota, Idaho, Kansas and elsewhere later this year. I foresee a time, not too far off, when every tribal tax credit application, in every state, will be awarded the precious tax credits they need to meet the desperate housing needs on reservations.”

Housing Authorities across the country are finding that the tax credit program is becoming a vital tool in developing affordable housing on reservations.

“NAHASDA funding is continually being cut, therefore, this resource is valuable to fill the void for new housing construction or

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Join us in Seattle... Register Now!

7th Annual Travois Indian Country Tax Credit Conference August 21-23, 2007

**The Grand Hyatt Seattle Hotel is offering rooms for conference attendees.
Call 1-800-233-1234 to make your reservation.**

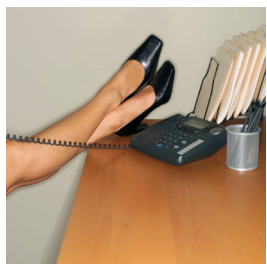
With nearly 250 attendees expected, make sure to register for your chance to learn more about how the Low Income Housing Tax Credit and New Markets Tax Credit programs can help you and your tribe spur housing and economic development.

Register for the 2007 Travois Indian Country Tax Credit Conference today!

For more information about the conference, please visit our website.

Please see our website for registration information or contact us at info@travois.com

Robin's Rules



Robin Thorne, Travois' director of Asset Management, will answer your compliance questions in this quarterly column. This column is not intended to replace Travois asset management services. If you have questions, e-mail robin@travois.com.

What should I do about incomplete tenant file forms?

All questions on tenant required forms MUST be answered. Many times our tenant applicants will leave questions blank on their initial applications or self certification forms. These questions must be answered. If the answer is "No" or "Not Applicable" they must still fill in an answer. Sometimes they forget to check the appropriate box on forms like the "Affidavit of Non-Employment" or the "Affidavit of No Child Support. Please remember that if all questions are not answered and blanks filled-in where required the form is not considered complete and your third party file reviewer will not be able to approve the tenant file until all of the missing information is completed. Blank lines/incomplete documents may also result in a compliance finding when the state housing agency reviews your LIHTC files.

The same problem occurs with third party verifications forms. Many times the third party source does not answer all of the questions on the form. This results in the occupancy specialist having to either re-send the form to the third party and request that they answer all the questions or a telephone clarification is required. The most common form that is not fully completed by the third party is the "Employment Verification" form. Employers often forget to answer questions about

overtime and shift differential. They also fail to answer the year to date income questions completely and the future raise or changes in annual income questions. It is impossible to accurately calculate a household's income without having answers to all of the questions on the employment verification forms.

Please also remember to make sure the Tenant File Certification ("TIC") is also filled out completely. Make sure you have included the date of birth and social security numbers for all household members. Insert \$0.00 in the total columns when there is no income to report for that income or asset column on the TIC. Insert \$0.00 in the "Rental Assistance"

In This Issue: Incomplete Tenant File Forms

and "Other Non-Optional Charges" on the rent section of the TIC. Make sure you have checked the correct set-aside boxes on the income and rent limit sections. Complete the tenant move-in-date and effective date sections found at the very top of the TIC.

Please make sure you review all of the tenant file documents for completeness. This will make your third party file reviewer happy and speed up your tenant file approval process. It will also make your state agency very happy when they review your tenant files and help to ensure that you have a successful tenant file audit!

Design & Construction Survey Please share your thoughts with us

As Travois expands our construction and design services, we are interested in your opinions regarding new materials and construction methods. Is there anything you would like to see in your next New Construction or Rehabilitation project? Is energy efficiency important to your group? What are the tenants in your units or the families on your waiting list looking for in their new home?

We would appreciate any thoughts you may have regarding this topic as we are beginning extensive research into the latest materials and construction methods. Our goal is to increase the efficiency, livability and aesthetic quality of the affordable housing built in future projects.

Please feel free to contact Ashley Bland, our Design & Construction Services Director with your comments. Ashley can be reached at 703.845.9630 or via email - ashley@travois.com.



Home Fire Safety Tips

Provided by AMERIND Risk Management Corporation Safety Service Team

Install Smoke Detectors - Working smoke detectors can alert you to a fire in your home in time for you to escape, even if you are sleeping.

Escape Plan - Prepare for a fire emergency by sitting down with your family and agreeing on an escape plan.

Keep an Eye on Smokers - Provide smokers with large, deep, non-tip ashtrays and soak butts with water before discarding them. Before going to bed or leaving home after someone has been smoking, check under and around cushions and upholstered furniture for smoldering cigarettes.

Cook Carefully - Never leave cooking unattended. Keep cooking areas clear of combustibles and wear clothes with short, rolled-up, or tight-fitting sleeves when you cook. Turn pot handles inward on the stove where you can't bump them and children can't grab them.

Give Space Heaters Space - Keep portable heaters and space heaters at least three feet



away from anything that can burn.

Remember: Matches and Lighters are Tools, not Toys - Use only child-resistant lighters and store all matches and lighters up high, where small children can't see or reach them, preferably in a locked cabinet.

Use Electricity Safely - If an electrical appliance smokes or has an unusual smell, unplug it immediately, then have it serviced before using it again. Replace any electrical cord that is cracked or frayed. Don't overload extension cords or run them under rugs.

For more information regarding Fire Safety, call AMERIND Safety Services at 800.352.3496 or email Derek Valdo (dvaldo@amerind-corp.org), Lewis Casey (lcasey@amerind-corp.org), or Joely Heavy Runner (Jheavyrunner@amerind-corp.org). Or, visit us at our webpage and view our Fire Extinguisher video at www.amerind-corp.org.

Millions soon available for Reservation Entrepreneurs and Community Developers

By J.P. Latenser
New Markets Tax Credits Manager

The New Markets Tax Credit (NMTC) is a powerful tool in the hands of an entrepreneur or economic development professional. Across the country, developers in low income communities are using the NMTC to leverage private investments—drastically decreasing the cost of financing and increasing access to capital. The 39 percent federal tax credit provides entrepreneurs 25 to 30 percent of the funds required to start a new business or expand a business. This helps businesses get loans with lower rates and more flexible terms than are available in the traditional marketplace.

one-on-one with a CDE now. This is necessary because of the great amount of work required to close NMTC financing. Individuals seeking financing through the program need to take steps to satisfy the underwriting requirements of CDEs as well as their banking and investment partners. Travois New Markets works closely with Indian Country businesses to ensure that all the documents required for a financial closing are in order. Businesses interested in seeking financing for a project should contact Travois as soon as possible, Glynn said, as funding decisions are already in process and will be finalized this October.



The 39 percent federal tax credit provides entrepreneurs 25 to 30 percent of the funds required to start a new business or expand a business.



NMTCs are distributed by Community Development Entities (CDEs). CDEs across America applied for allocations of NMTCs from the federal government in March and, this fall, will be distributing them to businesses and developments in a range of industries. In order to use NMTCs for a project, entrepreneurs and economic development professionals need to start working with CDEs now according to Phil Glynn, director of nationally certified CDE Travois New Markets, LLC.

“There is stiff competition between CDEs to get allocations of NMTCs,” says Glynn. “There is also a lot of competition between businesses to get NMTCs from CDEs.”

Glynn says the best way for an entrepreneur or economic development professional to ensure access to NMTCs is to begin working

Glynn says the information required ensures that all projects meet the standards of all Travois New Markets investors. It provides all parties involved with a clear picture of how particular business will work.

Entrepreneurs or economic development professionals who meet each of these benchmarks will be given top priority when Travois New Markets begins to distribute its own NMTCs. Allocations are expected to be made in the fall and Travois New Markets hopes to hit the ground running, says Glynn.

Entrepreneurs or economic development professionals interested in working with Travois New Markets should contact Glynn at (816) 268-1283 or e-mail him at pglynn@travois.com.

Cook's Corner

If you have a recipe you'd like to contribute, please e-mail elizabeth@travois.com or ashley@travois.com.



Southwest Recipe "Carne Asada"

Contributed by Alonzo Lamas, Finance Director at San Carlos Apache Housing Authority

First, you'll want to buy good meat (beef) and slice it in thin strips. Add salt, pepper (just a little bit) and California garlic. Be sure to season both sides of the meat. Place

seasoned meat in a glass pan and add one black/dark beer. Flavors are best if you allow to marinate for 2 to 3 hours before cooking. Grill the marinated and seasoned meat, cooking to to the level of doneness that you and your family prefer. Be sure to have warm tortillas (preferably corn) ready. In addition to the meat, have some some chopped onions, cilantro and salsa available for topping.

Alonzo says, "If you invite me I will prepare the salsa and the meat with no charge! Have fun."

2007 Tax Credit Awards

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rehabilitation of existing housing stock," Elena Bassett, Executive Director of the Colville Indian Housing Authority and a 2007 recipient of tax credits.

Tribally designated housing entities are seeing increased success in LIHTC applications—several states offer set-asides or scoring priorities for projects sponsored by Native American housing authorities.

The Washington State Housing Finance Commission has awarded tax credits to 11 tribal projects so far and is working with tribes to tailor their legal documents and other requirements to fit the intricacies of tribal law.

"We've enjoyed our experience with the tribes and we want to make sure the program works for everybody," Carol Johnson, WSHFC analyst, said.

With interest rates rising, housing authorities are likely to see a drop in investor pricing for tax credits in the coming months. Though pricing is still at rates favorable to development, housing authorities should expect less negotiation room with investors.

"SunAmerica's investments in Indian

country have been very positive and SunAmerica hopes to increase the amount of these investments over the next few years," Dana Mayo, Vice President of finance and acquisitions with AIG SunAmerica Affordable Housing Partners, said. "Although the market for tax credits continues to be very competitive, 2007 pricing has receded from the levels reached in 2005 and 2006. Pricing of tax credits is very sensitive to interest rate movements, perceived risks and supply-demand imbalances. As a result, pricing has decreased in response to the higher 10-year treasury rate, the growing awareness of defaults in certain investor portfolios and the reduced demand by some key equity participants."



A home built with low income housing tax credits on the Lummi Reservation in Washington state.

Tax Credit Calendar

August

8/1

Colorado 3rd Round LIHTC due

8/2

MHFA Notice of Intentions due

8/3

Kansas 2nd Round LIHTC due

8/21-8/23

Travois 7th Annual Indian Country Tax Credit
Conference

September

9/7

Idaho 2nd Round LIHTC due

9/10-9/12

Washington State Housing Conference

9/11-9/13

Arizona Governor's Housing Forum

9/14

FHLB Dallas - AHP application due

WHEDA 2nd Review due

9/17-9/18

Minnesota Indian Housing Conference

October

10/16-10/18

Amerind Conference

10/25

Minnesota Round 1 LIHTC announcements



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