

Multifamily Programs Notice 06-5

August 7, 2006

To: Developers and Sponsors

From: Patricia Rynn Sylvester, Director, Multifamily Housing

Re: *September 2006 Funding Round Update – Important Construction Cost Limit Update*

September 2006 Funding Round Update – Sponsors are reminded that the current deadline for the September 2006 Funding Round for federal Low Income Housing Tax Credits and Rental Housing Funds remains unchanged. Applications are due at the Department of Housing and Community Development's (DHCD's) mailroom on the ground floor at 100 Community Place Crownsville, Maryland 21032 not later than 5:00 p.m., Wednesday, September 6, 2006.

Also, per Section 4.5.1 (pg. 44), Leveraging, of the Guide, the Imputed Raise Up Rate for Low Income Housing Tax Credits to be used in the September 2006 Funding Round will be \$0.91. This rate remains unchanged from the previous round.

Construction Cost Limit Update - In addition, there is an important technical revision to the revised 2005 [Multifamily Rental Financing Program Guide: Attachment to the 2005 QAP](#) affecting applications for the upcoming competition. Section 3.7.5, Construction or Rehabilitation Costs, is hereby revised to adjust the Maximum Construction Costs per Gross Square Foot to account for inflation as follows:

Maximum Construction Costs per Gross Square Foot (Rev. 8/7/06)		
Type of Building	New Construction	Rehabilitation
Townhouses	\$100	\$104
Cottage, Single Family and Semi-detached Dwellings	100	104
Garden Apartments	85	65
Units Stacked – no elevators	92	75
Elevator Buildings (≤ 4 floors with frame construction)	92	75
Elevator Buildings (≥ 5 floors with concrete construction)	100	79

Click here for more information about the [McGraw-Hill Construction Cost Index inflator](#) used to

make the adjustments can be found at the following website:

For More Information, Contact:

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Related Links

[2005 Multifamily Rental Financing Program Guide Rev2, 3/20/06](#)

Links labeled with "(PDF)" require Adobe Acrobat Reader to be viewed properly. Adobe Acrobat Reader is a free product. Click here to [download Adobe Reader](#) for free.