June 14, 2013

Technical Director, FASB
File Reference No. EITF-13 - Accounting for Investments in Qualified Housing Projects
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Re: File Reference No. EITF-13 - Accounting for Investments in Qualified Housing Projects

Dear Technical Director,

Stewards of Affordable Housing for the Future (SAHF) and the National Affordable Housing Trust (NAHT) appreciate the opportunity to comment on the proposed accounting changes for investments in affordable housing projects that qualify for Low Income Housing Tax Credits.

SAHF represents eleven high capacity not-for-profit members who acquire, preserve and are committed to long-term, sustainable ownership and continued affordability of multifamily rental properties for low-income families, seniors, and disabled individuals. Since 2003, SAHF has promoted its members' shared notion that stable, affordable rental homes are critically important in people's lives. Together SAHF members provide homes to nearly 100,000 low-income households across the country, using federal programs that include the Low Income Housing Tax Credit (LIHTC) program.

NAHT is a national LIHTC syndicator that secures equity from investors for high performing non-profit developers of affordable housing. NAHT began at the time of the 1986 tax code changes to help non-profit developers secure investors for their affordable projects and has worked with development partners as they have developed and preserved almost 100,000 units of affordable housing all across the United States.

Through our experience with the LIHTC program, we have found the current accounting practices to be a concern among potential investors, impacting their decision to invest in the program and therefore we believe these accounting concerns need to be addressed.

We believe the FASB's proposed change to allow all investors to use the effective yield method as an appropriate method of accounting for LIHTC investments, whereby investors report the costs, along with the Low Income Housing Tax Credits, on the tax line is correct and beneficial. We believe the proposed change will be an improvement in the accounting treatment used - making the accounting clearer and more neutral - which will make these investments more understandable to the investment community.

Since the LIHTC program was created, it has been the most successful production program for affordable housing and without it there would be almost no affordable housing production at all. Over the past 26 years, the program has financed the development of over 2.6 million affordable rental homes for working families and vulnerable populations with special needs—the elderly, people with disabilities, and people who are homeless in a wide variety of communities across the country.

According to the National Low Income Housing Coalition's *Out of Reach 2013* report, the gap between wages and rents remains a serious issue across the county, making it difficult for low income renters to live in the cities and towns where they work. Without the LITHC program, this affordability problem would only get worse. This proposed accounting change will be critical in attracting more investment capital into the program and continuing to help meet the shortage of available affordable housing.

Thank you for your consideration of our comments. Please do not hesitate to contact Clare Duncan (cduncan@sahfnet.org or 202-737-5974) with any questions or comments.

Sincerely,

William Kelly
President
Stewards of Affordable Housing for the Future

James Bowman
President & CEO
National Affordable Housing Trust