



U.S. Department of Housing and Urban Development
Office of Multifamily Housing
Region X Multifamily HUB

September 17, 2007

A handwritten signature in blue ink that reads "Renee D. Greenman".

Memorandum From: Renee D. Greenman, Director, Region X Multifamily Hub

To: Project Owners Eligible for the Mark to Market Program

During the next few years, you will be faced with important decisions that will permanently impact the financial future of your property.

The Office of Affordable Housing Preservation (OAHP), along with the staff from the Seattle Multifamily Program Center invites you to discuss the extension of the Mark-to-Market (M2M) program to include pending legislation and the "Assumption, Subordination and Assignment" policy in our offices on Wednesday, September 26, 2007 at 1:00 PM, PST in room 135C of the Seattle HUD Office, at 909 First Avenue Seattle, Washington 98104.

The M2M program is a powerful tool for recapitalizing and preserving your affordable housing investment. To date, over 2800 projects have been completed through M2M and more than 1500 full debt restructurings have been closed nationwide. The owners of those properties have gained the valuable benefits that only M2M restructuring can offer: reduction in first-mortgage debt, increased replacement reserve balances, and dedicated rehabilitation funding custom tailored to the needs of your property. We would like to share with you these and other advantages of bringing your property into M2M—whether your current Section 8 contract is expiring soon, your contract expiration is more than a year away, or your contract has already expired. We will cover these topics and more at our meeting:

- **New Legislative Authorities.** The Mark-to-Market program has been extended through FYE 2011, and along with existing authorities.
- **Owner Financial Incentives.** Through its "Full" market restructurings, OMHAR offers an owner-incentive package that restores cash flow to underperforming properties, offers a premium rate of return on new capital contributions, creates pre-defined cash flow distributions and more.
- **Pending Legislation:** pending legislation could provide even further enhanced restructuring tools that can help renew and restore your project, or facilitate win-win exit strategies that simultaneously create outstanding acquisition opportunities for Non-Profit purchasers.
- **Assumption, Subordination and Assignment:** Ensure the properties' financial and physical integrity are maintained, therefore providing long term preservation of affordable housing.

We extend you this invitation to learn more about the tremendous changes and benefits of the M2M program and what they could mean for your property, or your portfolio. After the presentation, senior OAHP representatives will be available for individual meetings or discussions regarding any of your concerns or your individual properties.