

STATE OF DELAWARE



EXECUTIVE DEPARTMENT DOVER

EXECUTIVE ORDER
NUMBER Forty Three

TO: ALL STATE DEPARTMENTS AND AGENCIES

RE: ALLOCATION OF LOW-INCOME HOUSING TAX CREDITS AUTHORITY TO
DELAWARE STATE HOUSING AUTHORITY

WHEREAS, Section 42 of the Internal Revenue Code of 1986 (the "Code"), enacted by the Tax Reform Act of 1986, sets forth the provisions granting low-income housing tax credits ("Credits") to replace prior low-income housing tax incentives for qualified low-income housing;

WHEREAS, the Credits are subject to annual state volume limits equal to \$1.25 per resident of each state (the "Credit Authority") and project owners must obtain Credits from state or local governmental units or housing credit agencies authorized to issue them;

WHEREAS, Section 42(h)(3)(B) of the Code allocates all of each state's Credit Authority to the "housing credit agency" of such state, unless such allocation is changed by a gubernatorial proclamation or state legislation;

WHEREAS, the financing of low-income housing in the State of Delaware (the "State") is of vital importance to the State and its citizens;

WHEREAS, in order to provide for the orderly and efficient allocation of the Credit Authority of the State and in view of the fact that the planning and construction of a project ordinarily is not completed within one calendar year, it is desirable to confirm and designate the Delaware State Housing Authority as the State's housing credit agency;

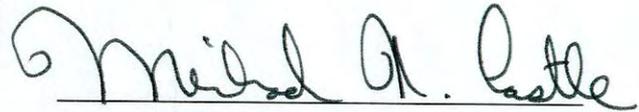
NOW, THEREFORE, I, MICHAEL N. CASTLE, by the authority vested in me as Governor of the State of Delaware and by Section 42 of the Code, do hereby declare and order, as follows:

1. The Delaware State Housing Authority (the "Authority") shall be the housing credit agency for the State within the meaning of Section 42(h)(7)(A) of the Code. All of the State's Credit Authority for the years 1987, 1988 and 1989 is hereby allocated to the Authority which shall have the responsibility and authority to establish procedures necessary for the proper allocation and distribution of Credits and shall exercise all powers necessary to administer the allocation of Credits.

2. The Authority shall provide for allocation procedures that will insure the maximum use of Credits in order to encourage development of low-income housing in the State, taking into consideration the timeliness of the application, the location of the proposed housing project, the relative need in the area for low-income housing and the availability of such housing, the economic feasibility of the project, and the ability of the applicant to proceed to completion of the project in the calendar year for which the Credit is sought.

3. This order shall take effect immediately.

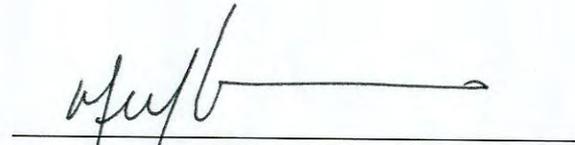
APPROVED this 13th day of
May, 1987.



Governor



ATTEST:



Secretary of State