



U.S. Department of Housing
and Urban Development
Milwaukee Field Office
310 West Wisconsin Avenue, Suite 1380
Milwaukee, WI 53203-2289
<http://www.hud.gov/krcpl/mil/>

NOV 14 2009

Ms. Denise T. Troeschel
Deputy Chief Underwriter
Love Funding
1250 Connecticut Avenue, N.W., Ste 550
Washington, D.C. 20036

Dear Ms. Troeschel:

SUBJECT: MAP Pre-Application
Section 221(d)(4)
Project Name: Bookends
Project Location: Milwaukee, Wisconsin
Project Number: 075-35435-PM

This is to inform you that our staff has reviewed the pre-application materials for the subject proposal but is unable to invite an application for Firm Commitment for mortgage insurance at this time. The basis for this action is explained more below, but the underlying authority rests in the MAP Guidebook, paragraph 11.2 stating as follows:

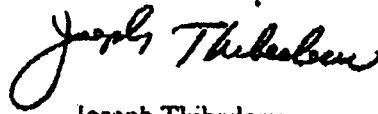
If the director concludes that an application should not be invited, or there are issues that need to be resolved before an application can be invited, the Team Leader will prepare a letter to the MAP Lender explaining why an application was not invited.

The most significant of our concerns regards the market and adverse impact. Based on our review of the market data, conditions do not appear favorable for this proposal. Also, an invite letter has recently been issued on a new construction project in the market area. We are concerned about the impact that the subject will have on the rent-up of this project.

In addition to the market and adverse impact concerns, there are concerns that the proposal requires the approval of waivers which lack adequate support.

We would consider reviewing another Pre-Application on the subject after the invited project is well into their rent-up – and showing a strong market. We would encourage you (at that time) to discuss the proposal with us prior to submitting a pre-application. If you have questions regarding this letter, please contact Annmarie Hinkle, Chief, Project Management at 414/297-3214, extension 8673.

Sincerely,



Joseph Thibedeau
Director
Milwaukee Multifamily Program
Center, SIH

bcc.

A. Hinkle, SIHDP