

DELAWARE STATE HOUSING AUTHORITY LOW INCOME HOUSING TAX CREDIT (LIHTC) 2026 LIHTC APPLICATION RANKING

The Federal Low Income Housing Tax Credit (LIHTC) program was established by the Tax Reform Act of 1986 and was codified as Section 42 of the Internal Revenue Code (IRC) of 1986 as amended. The Revenue Reconciliation Act of 1989 amended IRC Section 42 by adding Section 42(m) that requires allocating agencies to allocate low-income housing tax credits pursuant to a Qualified Allocation Plan (QAP). The Delaware State Housing Authority (DSHA) is the allocating agency for the State of Delaware. Governor John Carney approved the State of Delaware's 2025/2026 LIHTC QAP on January 3, 2025, for use during the 2025 and 2026 LIHTC Allocation cycles.

Developments eligible to apply for LIHTCs include new construction, rehabilitation, and acquisition (if a substantial rehabilitation is being undertaken). DSHA receives the small state minimum for its annual allocation of 9% LIHTCs and these are allocated on annual basis through a competitive application process to threshold compliant applicants. Credits are allocated by set-asides; the top ranked non-profit set-aside receives the first allocation of credits, then credits are allocated to the top ranked preservation and top ranked new creation applicants. If resources are still available, DSHA will continue to allocate credits based on ranking, regardless of set-aside. DSHA has approximately \$3.95MM in 9% tax credits for the 2026 LIHTC cycle. Applications for these credits were due on April 30, 2026.

The Consolidated Appropriations Act of 2021 established a permanent minimum 4 percent rate for Housing Credit developments financed by tax-exempt multifamily bonds issued after December 31, 2020. DSHA can award 4% LIHTCs based on available bond cap volume as allocated to the agency by the State and pursuant to the QAP. Applicants can apply for 4% credits during the competitive application cycle. The top ranked application may be eligible for an additional \$1MM in soft funding from DSHA, all other threshold-compliant applicants will receive an allocation based on ranking and availability of resources. If DSHA has additional resources available after the competitive application round, DSHA will accept 4% applications on a rolling basis until December 15th of the calendar year.

Below is a breakdown of the LIHTC applications received this application cycle:

- Total Applications: 6
 - 9% - 3 applications
 - 4% - 3 applications
- Total Units: 416
 - 9% - 135 units
 - 4% - 281 units
- LIHTC Requested: 7,058,341
 - 9% - 3,000,000
 - 4% - 4,058,341
- DSHA Construction Funding Requested: \$23,260,000
 - 9% Construction – \$11,820,000
 - 4% Construction - \$11,440,000
- DSHA Perm Funding Requested: \$18,860,000
 - 9% Perm – \$8,100,000
 - 4% Perm - \$10,760,000

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2026 LIHTC APPLICATION RANKING**

PRELIMINARY PROJECT AWARD RANKINGS

<u>Site Name & Address</u>	<u>Developer/Applicant</u>	<u>Type</u>	<u># of Units</u>	<u>2026 LIHTC Request</u>	<u>Preliminary Ranking Score</u>
Willows at Northstar, Phase II Route 9 and Old Vine Blvd. Lewes, DE 19958	Applicant: MRK Partners/Ingerman Phone: (856) 662-1730 Address: 5 Powell Lane Collingswood, NJ 08108	• New Creation • New Construction • Family	47	\$1,000,000	144
Misphillion Station I 100-500 Misphillion Apartments Milford, DE 19963	Applicant: Severn Development Company, LLC Searfoss Development, LLC Phone: (410) 269-0900 ext. 116 Address: 410 Severn Avenue, Suite 302 Annapolis, MD 21403	• Preservation • Family	40	\$1,000,000	131
Smyrna II 105 Lawn Drive Smyrna, DE 19977	Applicant: HDC MidAtlantic Phone: (717) 291-1911 Address: 8 West King Street, Suite 821 Lancaster, PA 17603	• New Creation • New Construction • Non-Profit • Family	48	N/A	Did Not Meet Threshold

**DELAWARE STATE HOUSING AUTHORITY LOW INCOME HOUSING TAX CREDIT (LIHTC)
2025 LIHTC APPLICATION RANKING**

PRELIMINARY PROJECT AWARD RANKINGS

<u>Site Name & Address</u>	<u>Developer/Applicant</u>	<u>Type</u>	<u># of Units</u>	<u>2026 LIHTC Request</u>	<u>Preliminary Ranking Score</u>
Bethel Villa Apartments 506 E. 5 th Street Wilmington, DE 19801	Applicant: American Community Developers, Inc. on behalf of Bethel Villa 2026, LLC Phone: (313) 881-8150 Address: 20250 Harper Ave Detroit, MI 48225	• Preservation • Family	150	\$1,770,889	131
Imani Village, Phase VII 1301 E. Twenty Eighth Street Wilmington, DE 19802	Applicant: Pennrose LLC on behalf of Riverside Housing Partnership VII LLC Phone: (267) 386-8677 Address: 1301 N 31 st Street Philadelphia, PA 19121	• New Creation • New Construction • Family	74	\$1,160,942	Did Not Meet Threshold
The Vistas at Saint Francis 1600 West 8 th Street Wilmington, DE 19805	Applicant: Delaware Valley Development Co. & Cornerstone West CDC Phone: (302) 463-9716 Address: 5718 Kennett Pike Wilmington, DE 19807	• New Creation • New Construction • Senior	57	\$1,126,510	110