

# Herrick & Kasdorf, L.L.P.

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June 22, 2009

Internal Revenue Service  
PO Box 12192  
Covington, KY 41012-0192

RE: 1023 Application for: Kalamazoo Collective Housing, Inc.  
EIN:20-4014598

Greetings:

I am the attorney for the applicant referenced above. Kalamzoo Collective Housing is a not-for-profit corporation organized in the state of Michigan, and is a low income housing provider. From my extensive experience working with 501c3 applicants, especially low income housing providers, I feel confident you will find this application entitled to approval of exempt status. The corporation's organizational documents rely upon the safe harbor set forth in Rev Proc 96-32, and in its practices it also complies with the requirements of that safe harbor. Since they comply with the safe harbor requirements, you should easily find that they do qualify as being entitled to 501c3 status.

Enclosed for your review are the following documents:

1. A \$750.00 check for the application fee.
2. A 2848 identifying myself as the representative of the applicant.
3. The corporation's Articles of Incorporation, with certificate from the State of Michigan.
4. The Corporation's By Laws.
5. The 1023 form with all proper attachments.

If any additional information or documentation is requested to more fully explain things about the applicant, that will be promptly provided. Just get in touch and request what you need.

Kalamazoo Collective Housing's corporate structure meets all the principal requirements for a 501c3 organization. It has the required provisions in its Articles of Incorporation purpose clause section. The Articles clarify that there will be no investors, and no profits will be given or shared with any party at all. The Articles establish that upon dissolution all of the proceeds, after payment of any debts, would be donated to another 501c3 tax exempt organization.

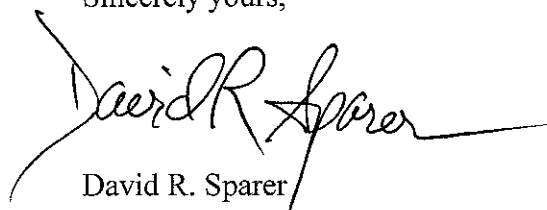
Kalamazoo Collective Housing has been set up with an eye toward complying with the requirements set forth in the low-income housing safe harbor, Rev. Ruling 96-32. That ruling indicates that in order to gain the benefits of the safe harbor and obtain exempt status a housing provider must provide housing to individuals who fall within certain income classifications. 75% must have incomes at or below the "low income" standard. Within that portion of the housing recipients must be 20% that are "very-low income." Kalamazoo Collective Housing's requirements regarding residency in the housing it operates includes these income requirements. You will see them in the rental / membership application, and see them referenced in the application materials. They are also seen in the occupancy agreements as well. From their experience they expect to not only be meeting this requirement, but typically serving more than just 20% of the very-low income bracket of this already low income segment of their local population. Their housing costs also are below the figure required by the Revenue Ruling, and are thus even more affordable than required.

It must be noted that Kalamazoo Collective Housing has been set up with an eye toward operating within the requirements and limitations demanded by Rev. Rul 96-32. They understand that if they wish to operate a low income housing program which qualifies for exempt status they are going to be obligated to carefully limit and focus their activities in a manner required by the IRS. They have found that those limitations and requirements are quite compatible with their own goals and objectives.

If after reviewing all these materials it is found that some modifications or clarifications are needed in their operations so as to meet the IRS requirements for obtaining 501c3 status, I expect that they will be most willing to adopt the requested changes. Just let us know. I believe, though, that you will find that they already are operating within the requirements, entitled to the 501c3 status right away with no change, and doing a very nice job that they should be very proud of.

We await your reply.

Sincerely yours,

A handwritten signature in black ink, appearing to read "David R. Sparer", with a long horizontal flourish extending to the right.

David R. Sparer

enclosures

DRS/ms

cc w/ all encl: Kalamazoo Collective Housing, Inc.