

OKLAHOMA HOUSING FINANCE AGENCY

Oklahoma Housing Trust Fund Program

2023 Application Packet

100 NW 63rd St., Suite 200

Oklahoma City, OK 73116

P.O. Box 26720

Oklahoma City, OK 73126-0720

**Table of Contents:**

[Introduction to the Oklahoma Housing Trust Fund Program 3](#_Toc83896605)

[Funds Distribution 3](#_Toc83896606)

[Housing Trust Fund Guidance 3](#_Toc83896607)

[Board Consideration 3](#_Toc83896608)

[Loan Application Process 4](#_Toc83896609)

[Application Format and Supplemental Information 5](#_Toc83896610)

[Technical Assistance 5](#_Toc83896611)

[Application Questions 5](#_Toc83896612)

[Contingent Commitment 6](#_Toc83896613)

[Award Instrument 6](#_Toc83896614)

[OHTF Compliance Monitoring 7](#_Toc83896615)

[Loan Terms 7](#_Toc83896616)

[Forms of Assistance 7](#_Toc83896617)

[Maximum Loan Amount 7](#_Toc83896618)

[Target Population 8](#_Toc83896619)

[Periods of Affordability 8](#_Toc83896620)

[Financial Assistance for Loan Application Preparation 8](#_Toc83896621)

[Prohibited uses of OHTF funds: 8](#_Toc83896622)

[Eligible Entities 8](#_Toc83896623)

[Eligible Activities 8](#_Toc83896624)

[Developer Fees/Contractor Profit 8](#_Toc83896625)

[Program Regulations 9](#_Toc83896626)

[Application Analysis 9](#_Toc83896627)

[Threshold 9](#_Toc83896628)

[OHFA Housing Trust Fund Application - Attachment A 16](#_Toc83896629)

[Electronic Application Information 16](#_Toc83896630)

[OHFA Housing Trust Fund Application Certification 19](#_Toc83896631)

[Submission Checklist 20](#_Toc83896632)

#

# Introduction to the Oklahoma Housing Trust Fund Program

In April 1998, the Governor of Oklahoma signed into law Senate Bill number 786, which established the Oklahoma Housing Trust Fund (OHTF), and assigned administration to the Oklahoma Housing Finance Agency (OHFA). This legislation was enacted as the result of State research into the affordability of housing for Low and Moderate income persons. The Oklahoma Legislature found Oklahoma economic conditions, federal housing policies, and declining resources at the federal, state, and local level adversely affect the ability of Low and Moderate -income persons to obtain safe, decent, and affordable housing. The lack of affordable housing in rural communities of this state is an impediment to economic development and business expansion in these areas.

The purpose of the OHTF is to assist Moderate and Low-income people in obtaining safe, decent and affordable housing with priority for such housing being given to Low-income households.

# Funds Distribution

At least 65%, but no more than 75%, of available funding must be allocated within counties of less than 490,000 in population. Currently, only Oklahoma and Tulsa counties are over 490,000 in population. Therefore, these two counties are the only ones considered as Urban.

# Housing Trust Fund Guidance

Applicants may access guidance and information relating to the OHTF Program from the Housing Development Team (HDT) at OHFA. Information is also available at the OHFA website: [www.ohfa.org](http://www.ohfa.org).

Applicants must demonstrate a clear understanding of the rules and regulations that govern the housing Activity to be undertaken, and clearly demonstrate their capacity to proficiently complete the housing Development.

#

# Board Consideration

All Applications will be considered and acted upon by the OHFA Board of Trustees at a board meeting. Unless otherwise posted, the meeting time will be 10:00 a.m., and the meeting place will be 100 NW 63rd Street, Oklahoma City, OK, 73116, in the Will Rogers Conference Room.

**The Board of Trustees may, in their discretion, after hearing the recommendations of Staff and the Applicants, elect to approve or deny an Application irrespective of the recommendation of OHFA Staff, if deemed in the best interests of OHFA and the needs of the State of Oklahoma**. Accordingly, representatives of the Applicant are encouraged to attend the Board of Trustees meeting to answer any questions of the Board of Trustees, and to present evidence and argument in support of approval of the Application, if necessary. The Applicant's representative must be a responsible employee or official of the Applicant. The Applicant may also be represented by legal counsel.

**Neither an Applicant nor members of the public shall communicate, directly or indirectly, with the Trustees regarding an Application under consideration by OHFA (except upon notice and opportunity for all parties to participate).**

In the event the Applicant disputes the recommendation of Staff, the Applicant must file **ten (10) copies** of any response(s) to Staff’s recommendation, or other information they wish the Board of Trustees to consider, **not less than forty-eight (48) hours** prior to the commencement of the **Board** meeting when the Application will be considered.

In addition to the hard copies, Applicants must submit an electronic version of the response. If both the hard copy and the electronic version are not received, the responses will not be accepted or considered by the Staff or the Trustees.

**Funds Availability**

**There will be at least 45 days from the date of the award until funds can be accessed. During this time frame, loan documents will be prepared by OHFA and Applicants are required to submit additional documentation. The Applicant will be provided a submission checklist after an award is made. Then a loan closing will occur.**

# Loan Application Process

Applicants will be charged a one-time non-refundable Application fee of $500.00. A cashier’s check, money order, or wire confirmation must accompany the Application, made payable to the Oklahoma Housing Finance Agency. All Application fees are used by OHFA to pay for overall OHTF operation.

Application fees are due upon submission of the Application. If payment is returned for insufficient funds, it will be deemed non-payment and the amount to defray bank costs will be due.

The OHTF program will operate on a continuous Application basis. Applicants must contact a member of Housing Development Staff prior to preparing an Application to inquire about the availability of funds. Applications may be submitted any normal business day. .

OHFA will conduct a thorough Application review and make funding recommendations based on the documentation submitted. All Applications will be considered and acted upon by the OHFA Board of Trustees at one of the Board meetings.

While the OHTF program does continually accept Applications, an Application must be submitted at least sixty (60) days prior to a board meeting. Board meeting dates are posted on the OHFA website.

OHFA at its discretion may accelerate or delay the review of Applications if extenuating circumstances arise.

No funding wait lists shall be established, and **OHFA may cease accepting Applications at any time. OHFA will post a notice on its website if it is no longer accepting Applications.**

**Applicants proposing to incorporate the use of the OHTF with OHFA’s AHTC program must submit the OHTF Application at or before the time of the AHTC Application submittal.** The OHTF Application must reference the tax credit Application.The OHTF funding commitment must be secured before Board consideration of the AHTC Application, and will be contingent upon Applicant’s satisfaction of all AHTC Application requirements and receipt of an award of AHTC’s at the next Board meeting making such awards. Due to time constraints, OHTF Applications that are involved in an AHTC Application will not be given a chance to submit a new Application after the AHTC deadline. This includes any Application resubmitted in response to a denial notification.

OHTF Applications proposing to incorporate the use of HOME funds must be contingently approved before the HOME award. A HOME Application will not be contingently approved based upon a future OHTF.

Awards of OHTF funds are subject to the availability of funds, satisfying all loan underwriting, and evaluation criteria.

Loan Applications that do not satisfy loan evaluation criteria will not be eligible for funding. Major Application deficiencies will be clearly communicated in writing to the applicant.

#

# Application Format and Supplemental Information

* See **Attachment A**. **All Applications must be uploaded to OHFA’s Dropbox system. OHFA will no longer accept hardcopies of applications.**

**IT IS THE RESPONSIBILITY OF THE APPLICANT TO VERIFY TIMELY RECEIPT OF THE APPLICATION BY DESIGNATED STAFF.**

##

# Technical Assistance

**Applicants seeking technical assistance regarding the submission of an Application** **are encouraged to make formal, written requests for technical assistance citing the specific topics of interest.** Upon receipt of written requests for technical assistance, staff will contact applicants to establish a mutually agreeable date and time for technical assistance meetings that will include all relevant parties to the Application. **Drop-in requests are not allowed.**

# Application Questions

Questions regarding OHTF Applications may be directed in writing to:

Oklahoma Housing Finance Agency

Housing Development Team (OHTF)

P.O. Box 26720

Oklahoma City, OK 73126-0720

All Housing Development staff can be accessed by e-mail or phone. The individual fax number for each staff member is 405.419.9 plus the last three digits of that person’s phone number.

darrell.beavers@ohfa.org Housing Development Director 405.419.8261

danette.carr@ohfa.org HD Allocation Supervisor 405.419.8136

corey.bornemann@ohfa.org HD Allocation Supervisor 405.419.8134

**Housing Development Allocation Analysts:**

alicia.thomas@ohfa.org HD Allocation Analyst 405.419.8137

sara.stephens@ohfa.org HD Allocation Analyst 405.419.8201

timothy.hicks@ohfa.org HD Allocation Analyst 405.419.8269

**Program Compliance:**

sandra.mcgougan@ohfa.org HD Compliance Supervisor 405.419.8271

sheri.pritchard@ohfa.org HD Compliance Specialist 405.419.8132

syleste.johnson@ohfa.org HD Compliance Specialist 405.419.8280

# Contingent Commitment

**Developments selected for funding that involve pending** Applications **submitted to other public and private entities for other types of financing, will receive contingent OHTF commitments only.** Contingent commitments will be withdrawn if Applicants do not subsequently receive an award from other funding sources, such as Affordable Housing Tax Credits, HOME, Federal Home Loan Bank, private debt capital providers, and foundations. Contingent commitments will only be made for OHTF funds available at the time of the award and will generally be for a period not to exceed six months.

OHFA reserves the right to adjust contingent commitment amounts based on the actual award from other financial participants, public and private.

**Construction Start**

**Applicants for an OHTF loan must be ready to close the loan and start construction within 120 days of an award by OHFA’s Board of Trustees. Failure to do so can result in termination of the loan commitment.**

# Award Instrument

Loan Agreements and Promissory Notes will be used to contract with funded Applicants in order to implement proposed affordable housing development activities issued through OHFA. Appropriate general and special conditions will be contained within the OHTF documents. The maximum loan/contract period is twenty four (24) months.

OHFA regularly assesses the performance of its Awardees. In cases of non-performance and/or poor performance, OHFA may, where necessary, request the note be called. Poor performance and non-performance will include but is not limited to:

* Actual progress that varies substantially from the progress updates received.
* Proposed components of the Development have failed to be included in the Development. (E.g. funds were allocated to develop a three bedroom single family house; developer modifies the proposed idea and begins construction on a two bedroom single family home.)
* Failure to comply with compliance guidelines which are described herein.

Funded Applications and supplemental information are incorporated and made a part of the loan agreements. As such, they will be used to monitor Development Activities, implementation schedules, and performance. Requests for consideration of modifications and extensions must be made in writing prior to any changes and/or modifications. OHFA reserves the right to reject the request for consideration. Modifications and extensions may be consideredonly in extreme cases, and may be denied. Each circumstance will be examined on an individual basis, allowing staff to consider unforeseen events that would justify request for consideration.

# OHTF Compliance Monitoring

OHTF compliance monitoring procedures apply to all buildings placed in service in Oklahoma, which has received allocations of OHTF funds. The compliance monitoring procedures and requirements are as follows:

During the three (3) year Term of Affordability, OHFA will review documentation and verify that the Awardee is maintaining records for each qualified affordable housing unit in the Development. The review will consist of:

1. OHFA will inspect 100% of the OHTF Developments according to Uniform Physical Conditions Standards (UPCS).
2. Copy of Certificates(s) of Occupancy.
3. Physical inspection: OHFA will conduct a physical on-site inspection of the OHTF Developments/units. Homebuyer Developments: Only an initial inspection shall be performed.

Rental Developments: Owners must allow OHFA to perform an annual on-site inspection of any low-income buildings/units throughout the duration of the Term of Affordability.

1. Income Limits: Correct copy of the HUD income limits used for selection of the occupant/buyer and on-going compliance requirements for Developments, an initial review.
2. Copies of the deed restrictions, covenant running with land or other forms approved by OHFA ensuring Term of Affordability.
3. OHFA will promptly notify the Awardee/Owner, in writing if OHFA staff is not permitted to inspect and review and/or if OHFA discovers that the Awardee/Owner activities do not comply with the OHTFand/or HUD rules and requirements. In such event, a correction period of 45 days to supply missing documentation or correct noncompliance issues may be allowed.

Consequences of non-compliance may include, but are not limited to, debarment from future participation in OHTF, or any other OHFA Program.

# Loan Terms

OHTF funds will accrue a 2% simple interest based on the outstanding balance of the loan. The term of the loan will be up to 24 months. The borrowers are also required to provide a completion bond.

A request for a one-time extension/modification shall be subject to a fee established at three (3%) of the award at the time of request. Extensions and/or modifications of loan terms are subject to Board Approval.

# Forms of Assistance

OHTF funds for housing construction are intended to provide construction financing only and are extended in the form of collateralized loans.

# Maximum Loan Amount

The award amount provided to any Applicant, owner, general partner, developer or combination thereof will only be limited by the amount of money available at the time, as well as the statutory restrictions on Rural and Urban use of the funds.

The OHTF may provide up to ninety-five percent (95%) of the total Development costs.

# Target Population

Developments must serve target populations at or below 120% of the HUD’s published Area Median Income, by family size, for the county in which the Development is located.

# Periods of Affordability

All housing units must remain affordable to target populations for a period of not less than three (3) years. Affordability periods must be assured by deed restrictions, covenants running with the land, resale agreements, or other forms approved by OHFA.

#

# Financial Assistance for Loan Application Preparation

OHFA assumes no responsibility for any costs associated with loan Application preparation or submittal of Application.

# Prohibited uses of OHTF funds:

* Funds cannot be used to pay for Development costs outside stated loan/contract periods
* Funds cannot be used to pay for existing indebtedness

#

# Eligible Entities

May include but not limited to:

* Political subdivisions (including, but not limited to, incorporated towns, cities, and counties, their trusts and authorities, and state trusts).
* Nonprofit organizations
* For-profit developers
* Native American Tribes

# Eligible Activities

Eligible funding Activities shall include:

* New construction of rental and home ownership units.
* Conversion of non-residential buildings or structures into rental or home-ownership units.
* Acquisition and/or rehabilitation of residential housing units.
* Infrastructure development, when it is part of an affordable housing development.

#

# Developer Fees/Contractor Profit

* OHFA allows for developer fees where appropriate, based on total Development costs.
* A maximum of 10% of the cost of products and services to be paid from each OHTF draw request may be added for developer fees, where appropriate. All other fees and/or profits will be paid from other financing sources or sale proceeds, after provision for the repayment of the principal and interest required for repayment of the OHTF loan.
* OHFA will retain twenty percent (20%) of the total Developer fee to be paid when OHFA receives the Certificate of Occupancy.
* Contractor Fees must not exceed fifteen percent (15%) of the total Development funds (including contractor fees.)

Staff will thoroughly review proposed fees; therefore, providing documentation to justify the requested developer fee is **required**. OHFA reserves the right to adjust/reduce proposed developer fees. Circumstances that could result in adjustment include, but are not limited to:

* Location of Development
* Size of the development
* Accessibility to materials

# Program Regulations

OHTF is not a federal program. However, any Application combining resources from a program such as HOME, AHTC, CDBG, or other federal programs must follow applicable federal regulations for each of the federal sources of funding in addition to any other laws and regulation that may be applicable.

#

**Other Laws and Regulations**

The Applicant, Development, Owner, Development Team, Principals of each, and all Affiliates of each must comply with all applicable federal, State, and local laws, rules, regulations, and ordinances, including, but not limited to, regulations promulgated thereunder, the Oklahoma Landlord Tenant Act, the Titles VI and VII of the Civil Rights Act of 1964, as amended and Title VIII of the Civil Rights Act of 1968, as amended. Neither the Applicant, Development, Owner, Development Team, Principals of each, nor any Affiliates of each shall discriminate on the basis of race, creed, religion, national origin, ethnic background, age, sex, familial status or disability in the lease, use or occupancy of the Development or in connection with the employment or application for employment of Persons for the operation and/or management of any Development. The Owner(s) of a Development will be required to covenant and agree in the Regulatory Agreement to comply fully with the requirements of the Fair Housing Act as it may from time to time be amended, for the time period as promised in the Application.

# Application Analysis

Applications will be analyzed using Threshold criteria. Only Applications that are responsive to all criteria will be eligible for funding. Fully responsive Applications are defined as Applications that provide full and complete Development documentation at the time of submission or upon request by OHFA Staff.

Additional information or clarification may be requested from an Applicant after loan Application submission.

# Threshold

An applicant must meet **all** evaluation criteria listed below at the time of Application submission. Applicant must be an eligible entity and must provide a fully responsive Application.

Application responses are to be structured and have information presented in such a way as to fully address each criterion. The information, data, and statements provided in response to each criterion will be the basis for evaluating each Application. Depending on the type of Activity, some items may not be applicable. If so, Applicant must indicate which items are not applicable. Applicant is responsible to review specific requirements and provide all necessary documentation.

1. **Applicant Information Form, Applicant Certification and Index of Evaluation Criteria Tabs (sequentially numbered)** - Pages 17-20 of this Application Packet.

2. **Development Description** - Applicant must provide a detailed Development description that describes Development Activities and states the essential characteristics of the proposed Development.

Documentation Requirements:

1. Identify the role of the Applicant in the development (e.g. owner, developer).
2. Explain the type of Activity for this Application (e.g. new construction, acquisition and rehabilitation).
3. Describe the location of the Development (e.g. County, City or Town, street address if known, or general location).
4. Define the number and type of units. This must include bedroom mix.
5. Describe how the 3 year term of affordability will be implemented. Refer to the Periods of Affordability section of this Application Packet for further details.
6. Depict the type of construction codes or standards to be used. Projects must meet applicable construction and design standards established by local, state and federal government entities, as evidenced by architect certification.
7. Describe all funding involved with the Development, including, but not limited to:
* HOME funds
* Private lending sources
* Grants and other government sources

3. **Organizational Structure/Capacity & Management Control** – Applicants must demonstrate both staff and organizational expertise directly related to the type of proposed housing Activity. Staff will run a Credit Report and an Oklahoma Supreme Court Network (OSCN) background check for each Applicant.

Documentation Requirements:

1. Describe the type of ownership entity of the developer and final owner (sole proprietor, corporation, partnership).
2. If the Development involves other parties – Provide a narrative describing Applicant's role as general partner, co-manager, co-developer, etc.
3. Provide organizational documents for all parties showing authorized individuals.
4. Organizational charts illustrating all housing personnel.
5. Narrative describing the experience of the organization and staff persons in the use of OHTF funds and other federally or State assisted housing activities.
6. Proof of staff and organizational experience related to the type of proposed Development.
7. Applicant must identify previously funded OHFA assisted projects received over the prior 24 month period. Information must include applicant name, contract number, assisted activity, contract amount, original contract term, number of contract extensions, and the status of each contract.
8. Prior performance with OHFA Funds: poor and slow performers that have received prior awards of OHFA funds (HOME, AHTC, and OHTF) may be denied funding based on an assessment of the Applicant’s current capacity to administer OHTF resources in a timely and efficient manner. An Applicant with a history of contract extensions, program design modifications, poor performance, cost overruns, change orders, delays, de-obligated funds, and/or improper uses of funds may not be considered for funding.
9. Describe financial policies and procedures, including internal controls. The description must discuss disbursement of funds, requests for funds, and payment of subcontractors.
10. The Applicant’s financial statements for the current year and three preceding years. The financials must be prepared by a CPA.

K. Document and delineate the names and job titles of all staff persons responsible for the proposed Activity and their areas of responsibility. This must include:

* + The processes that will be used to provide daily oversight for overall Development supervision.
	+ The processes the will be used to provide production oversight to the point of construction completion.
	+ Management of contractors and subcontractors.

4. **Partnerships** – If applicable, loan Applications must describe all partners both financial and non-financial. Partnership documentation must clearly identify who the partners are, contribution to the Development, and the nature of those contributions.

Documentation Requirements:

1. Whether the contribution is cash, professional services, volunteer labor, or other types of contribution.
2. The anticipated return on investment for the partners.
3. How the partner’s contribution will be used to enhance the affordability of the Development, and reduce the cost of production and/or construction.
4. The timing of the partner’s contribution.
5. The length of time associated with the contribution commitment.

5. **Market Analysis/Study –** A market analysis is required for all types of activities. Proposed Developments of twenty-one (21) units or more must provide an independent third party market analysis. Developments less than twenty-one (21) units can provide a locally produced market study that supports demand for the proposed Development. All market studies must be dated no more than 12 months prior to the date of the Application. Applicants are required to demonstrate and document their familiarity with the market they propose to serve. Proposed Developments must be clearly market-driven.

OHFA will review the market analysis to determine its implications for the financial viability of the property and whether it justifies the need for the number, size, and type of housing units proposed. **Regardless of number of units,** a market analysis must include:

Documentation Requirements:

1. For Developments less than twenty-one (21) units, study must fully describe the methodology used and all sources of all data and information;
2. A summary of the qualifications of the individual(s) who participated in the development of the market study;
3. A map and description of the proposed site. Physical features of the property, street and access information, availability of utilities, and zoning data. A discussion regarding the appropriateness of the location – availability of community facilities and proximity to local schools and parks;
4. An evaluation of the need for affordable housing within the market area including a review of economic and employment factors such as population growth trends, development and activity, industry, major employers, and labor force;
5. A demographic analysis of the market area, including population, households, and employment.
6. An assessment of the current housing supply type, quantity, unit mix, location, age, condition, occupancy levels, and housing cost overburden statistics;
7. An identification of the number of households in the market area which are of the appropriate age, income and size for the proposed Activity.
8. A description of the potential effect on the occupancy rates of other comparable properties in the market area (for rental only).
9. Sales price comparison of homes sold within past 24 months within the general area of subject (for homeownership only - 3 comps minimum).
10. A description of rents and vacancy rates of comparable housing (for rental only).
11. The expected time of market absorption of the proposed housing (for rental only).
12. A calculation of capture rate by dividing the total number of units in the Development by the total number of age, size and income-qualified renter households in the primary market area (rental only).
13. Rent rolls for existing tenants (rental acquisition/rehabilitation only).

6. **Financial Feasibility and Viability** –Applicants must detail the exact activities and costs to be paid using HTF funds. The Application must provide:

Documentation Requirements:

1. Sources
	* All proposed sources (private and public) and dollar amounts for each source. All uses of funds associated with the Development.
	* Commitment letters with all terms (must include an interest rate or ceiling for variable rates) and conditions for all mortgages, grants, subordination agreements, bridge/interim loans, investment tax credits (historical and low income).
		+ Developments with a variable interest rate will be underwritten at the ceiling.
* Rental activities only:

 A commitment letter for the permanent financing must be provided. Commitment letters must include the loan amount, fixed (or ceiling) interest rate, loan term, debt service coverage ratio, loan amortization period, borrower loan fees, collateral, and conditions precedent to funding.

B. Uses of Funds:

* + Construction contract or preliminary bid(s).
	+ If raw land development is involved, cost estimate of infrastructure and committed source of infrastructure funding.
	+ Agreements governing various reserves, which are capitalized at closing to verify the reserves cannot be withdrawn later as fees or distributions.
	+ If Affordable Housing Tax Credits are utilized, documentation regarding the rate the Syndicator is willing to pay for tax credits.

C. Development Budget

The Total Development Budget must include all costs associated with the development of the Development, including:

* Construction “hard” costs
* Contractor profit
* Contractors Requirements - detailed breakdown of all costs.
* Contingency - a reasonable hard construction costs contingency may be included.
* Soft costs (architectural, engineering, legal, appraisal, etc.)
* Marketing costs
* Construction loan interest and all loan fees
* Developer’s fees
* Insurance costs
* Real estate taxes
* Insurance costs
* Consultant fees
* All other projected costs

Housing Development Staff will review all costs to ensure that they are customary, reasonable and necessary. This will be based on the type of Development Activity and comparable costs in the market area of the proposed Development. OHFA encourages realistic costs for HTF Developments, while encouraging cost efficient production and shall not give preference solely for lowest construction costs. OHFA will use the HOME Program Maximum Per Unit Subsidy Limits as the limit on total development costs per unit, based on bedroom size.

If documentation is not adequate and does not support the costs, Housing Development Staff may request additional documentation.

D.Applicant must fully describe the collateral for the OHTF loan. This description must include the legal.

E. Cash flow Statement

**Homeownership only:** the cash flow analysis must reflect the following:

* Estimated number of housing closings and timing of closings
* Development Revenue – Sales, cost of sales
* Cash Flow – Net monthly Development revenue, total monthly Development expense
* Use of Cash Flow – Debt Repayment, Equity Repayment
* Sources of Investment – Debt, Owner Equity

F. **Rental only:** Rent and Expense pro forma

The pro forma must reflect the following:

* Rental Income (stabilized)
* Pro forma must be a 3 year projection for OHTF; if OHTF is used with AHTC, then 15 year projection
* Achievable rent levels
* Estimated vacancy rate
* Operating Expenses (detailed)
* Stabilized Net Operating Income (NOI)
* Debt Service to private and public loans
* All fees such as incentive management, partnership management, asset management, etc.
* Debt coverage ratio - OHFA requires a minimum 1.15 DCR

Pro forma must not be unduly conservative or overly optimistic.

G. **Homeownership only:** Affordability analysis

The Applicant must provide an analysis to determine whether the targeted homeowner-income will meet the monthly mortgage payment on the proposed housing. This analysis must include the prevailing front and back ratio standards being utilized in the market by mortgage lenders as well as taxes and insurance estimates. If additional forms of homebuyer assistance will be used they must be clearly identified as to source, terms, amount, and commitment.

H. Draws and inspections

1. The construction draw and inspection schedule will be the following:
2. Stage 1 pad complete 5%
3. Stage 2 floor slab complete 15%
4. Stage 3 framing complete 40%
5. Stage 4 dry-in complete 60%
6. Stage 5 drywall complete 70%
7. Stage 6 finishes complete 100%

OHFA may inspect more or less frequently if deemed necessary by OHFA Staff or OHFA’s construction draw and inspection(s). Draws can be allocated to each building separately. If a particular Stage is less than 100% complete after a specific building’s inspection, then the draw can be adjusted accordingly to the percentage of completion for that specific building.

1. At construction draw and inspections, OHFA’s construction draw and inspector(s) will determine, as applicable: if the work done meets all applicable State and local codes, including the most recent International Residential Code, and if upon completion the housing units would pass an inspection that addresses all of the inspectable items in the Uniform Physical Condition Standards.

I. Applicant must fully describe the sources and timing of the repayment. Specific details are required.

7.  **Development Readiness** **–**Loan Applicants are reminded that approved Development designs that are subsequently funded are incorporated as part of the loan agreement. Therefore, loan Applicants must keep in mind that Development readiness, as stated within funded loan applications, will be used by Staff as basis for measuring performance. Developments must be ready to begin construction within one hundred twenty (120) days of an award by OHFA’s Board of Trustees.

Documentation Requirements:

1. Site control evidenced by deed, purchase contract, option to purchase, or lease for term longer than affordability and not revocable by the seller.
2. Include Development site plan, floor plan(s), and elevations (new construction only).
3. Proper zoning in place with documentation including type and authorization date.
4. Applicants must provide a 24-month production/implementation schedules that clearly identify all major phases of the proposed Development.
5. Closing documents checklist will be provided to the Applicant after the Award.

**Tie Breaker**

If two (2) or more Applicants are being considered at the same Board Meeting and there is not enough fund to award all Applicants, priority will be given to the Application serving the most Low Income families.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

# OHFA Housing Trust Fund Application - Attachment A

## Electronic Application Information

**OHFA is not responsible for any Internet, computer, and uploading, etc. type of issues. Applicants are advised to upload electronic Application files before the deadline. Your Dropbox Application link will expire on the due date at 3:00 p.m. Central time; therefore, an Application cannot be submitted after the deadline.**

Step 1: Request a Dropbox folder for the Application to be submitted by emailing any of the five OHFA Allocation Analysts. The assigned folder name will be the “Name of Applicant-Activity-City” (Activity means Homeownership/Rental etc.). Provide this information in your request.

Step 2: The Analyst will “reply to all” in the email folder request by sending a link to the Dropbox folder. The link will be specific to that folder/Application. You can share the link with others. Please exercise caution when sharing the folder link, do not share with anyone you do not want access to the folder.

Step 3: Create one PDF document with bookmarks for each tab, even those that are N/A. **For each tab, including those that are N/A, create a title page listing the same name as the bookmark name.** The PDF should be named the same as the initial folder request, see Step 1 above.

**Please use the tabs listed on the submission checklist as a guide for listing bookmark titles and title pages.**

 **TIP:** For more information about creating bookmarks see <https://helpx.adobe.com/acrobat/using/page-thumbnails-bookmarks-pdfs.html>.

Step 4: Review PDF file for clarity and verify bookmarks work properly. Verify readability after you scan/prepare a document. If a document is too small, or in any other way illegible, then Staff will not be able to evaluate information or count as submitted. This may cause you to Fail Threshold or not receive points. **TIP:** **When possible, convert documents directly to PDF, then insert signature pages into the PDF.**

Step 5: Upload PDF Application file. **Once a document is submitted you cannot edit or retrieve it.** If you need to submit a revised Application, then put Revised in the title. **OHFA’s Dropbox system is only for submitting Applications, not a method for Application preparation.**

Step 6: After submission, Applicants receive an email acknowledging successful upload.

Step 7: During the review process, Staff will rename folder with file number.

**OHFA Housing Trust Fund Applicant Information Form**

Development Name (If applicable):

Applicant Name:

Address:

Phone: Fax:

E-mail address:

Federal Employer Identification Number (EIN):

Name of Applicant’s Authorized Representative:

(Official authorized signatory)

Name of primary contact person:

Phone: Fax:

Address:

E-mail address:

Political Subdivision: Town City County

 Public Trust Non-Profit organization

 For-profit developer Tribes

 Other-Describe

Development funds request: $

Total Number of Units to be Developed

Total Number of HTF Units to be Developed

Development Activity (ies): (Check all that apply)

**Single Family**  **Multi-Family**

 New construction -Rental New construction - Rental

 New construction -Homeownership New construction-Homeownership

 Acquisition Acquisition

 Rehabilitation Rehabilitation

 Infrastructure Development Infrastructure Development

 Is this Application in conjunction with a HOME Application? Yes No

 Is this Application in conjunction with an AHTC Application? Yes No

 If yes, then what is the name of Development?

Location of Development:

Congressional District:

Oklahoma House District Number(s):

Oklahoma Senate District Number(s):

Double Click the EXCEL icon

Instructions are on the first tab. Once complete, print the Excel Worksheets and insert at the end of Tab 7 of this Application.

**If the spreadsheets do not work for your project, contact OHFA Staff.**



# OHFA Housing Trust Fund Application Certification

The Applicant hereby certifies that all of the information contained in this Application for funding through the Oklahoma Housing Trust Fund (OHTF) is true and accurate to the best of my knowledge, and that all documentation supporting the information in this Application is on file in the Applicant’s office, available for review by Oklahoma Housing Finance Agency (OHFA) Staff during normal business hours.

Additionally, the Applicant understands that failure to provide any of the documentation necessary to support the information in this Application may result in the return of all OHTF Program funds, both expended and unexpended, in accordance with the Program Sanctions under the codified rules of OHFA, contained in Oklahoma Housing Trust Fund Rules, Chapter 60.

Additionally, the Applicant understands that in the event an OHTF loan is made, the content of the Application shall be incorporated as part of the loan and, as such, will be used to monitor performance. Activities, commitments, and representations offered in the Application that are not subsequently made a part of the Development as funded, shall be considered a material contract failure, and may result in a repayment of all OHTF funds and/or suspension from Program participation.

Applicant has read the OHTF Application Packet and will comply with the rules and requirements of the OHTF Program.

 Name and Title (Type or Print) Date

 (SEAL)

Signature

State of Oklahoma

County of

Attest:

Subscribed and sworn to before me ,

Notary Public

My commission expires ,

Commission Number

# Submission Checklist

The following is designed to serve as a general guide to loan Applicants regarding primary and supporting documents to be included in a loan Application for Housing Trust Funds. Loan Applicants should carefully review all submission requirements within the Application to insure it is complete.

**One Original Application**

**Application Fee: $500.00**

**Evaluation Criteria**

Tab # 1 Applicant Information Form and Application Certification

Tab # 2 Development Description

Tab # 3 Organizational Structure/Capacity

Tab # 4 Financial Management

Tab # 4 Executed Current Financial Statement

Tab # 5 Market Analysis/Study

Tab # 6 Development Management Control

Tab # 7 Financial Feasibility and Viability

Tab # 7 Source and Use of Funds Statement

Tab # 7 Development Budget

Tab # 7 Profit and Loss Statement

Tab # 7 Cash Flow Statement

Tab # 7 Rent and Expense pro forma

Tab # 7 Loan Collateral

Tab # 7 Affordability Analysis

Tab # 7 Draw Schedule

Tab # 7 Sources and Timing of Repayment

Tab # 8 Partnerships

Tab # 9 Development Readiness

Tab # 9 Deed, Purchase Contracts, Option to Purchase etc.

Tab # 9 Site Plan and Floor Plans (New Construction Only)

Tab # 9 Zoning

Tab # 9 Production/Implementation

Tab # 10 Prior Contract Performance