

Oklahoma Housing Stability Program



Oklahoma Homebuilder Program

The Oklahoma Homebuilder Program offers \$100.7 million in available funds for the new construction of single-family homes for purchase

- 90% financing - homebuilder provides 10% of their own money upfront (The contribution may be in the form of cash on hand, partner contribution, or land already owned by the Applicant. If awarded, an appraisal will be ordered by OHFA to establish land value.)
- 0% interest, 24-month collateralized recourse construction loan
- Loans not repaid in this timeframe; interest rate accelerates to prime plus 4%
- Construction must start within 180 days of an award (90-day extension available)
- Developer/builder experience proportionate to the number of proposed units (Commercial experience may also be accepted in lieu of residential construction experience.)
- Minimum of five homes; maximum of 25 homes (scattered sites allowed)
- 75% of funds will be set aside for developments in rural areas
- Conditioned sq. ft. of homes must be between 1,000-2,000 sq. ft.
- No application fees and no origination fees
- Housing Stability Program Down Payment and Closing Costs Assistance is available to all homebuyers that purchase a home built by the Oklahoma Homebuilder Program.
- Homes must be owner-occupied for three years; enforced by deed restriction
- There is no income restriction for homebuyers unless OHFA's regular down payment assistance is required.
- General contractor fee cannot exceed 15% of total development funds
- Adhere to the Oklahoma Uniform Building Code
- OHFA must always be the primary lien holder
- Preference shall be given to applicants under a federally or state-declared natural disaster area within twelve (12) months of the date of application.
- Proposed Developments must provide an independent third-party Broker's opinion
- The collateral for the loan will be the land, any structures built on the land, and any materials purchased for the development.
- Proper zoning must be in place at the time of application. Documentation including zoning type and authorization date must be provided.
- The cost of Pre-construction surveys, date-down endorsements, foundation surveys, and closing costs will be included on the settlement statement at closing and it will be the borrower's responsibility to pay for these items.
- Applicants may apply for and get awarded for up to 3 applications

Threshold and Scoring Criteria

Threshold requirements include capacity, market study, financial feasibility and viability, and development readiness

Selection Criteria (55 points possible)

Federally and/or state-declared natural disaster area - 10 points

Department of Commerce Preference Sites - 5 points

Proximity to amenities - 10 points

Visitability - 10 points

Home Energy Rating System - 10 points

Amenities - 10 points

Tiebreakers

1st priority - Federally declared natural disaster area

2nd priority - State-declared natural disaster area

3rd priority - Lowest cost per bedroom

4th priority - Lottery

Purchase Price Limits

Applicants may use the current maximum purchase price limits at the time of sale, mirroring HUD 234 requirements. Please visit ohfa.org/housingstability for current limits.

Oklahoma Housing Stability Program



Oklahoma Increased Housing Program

The Oklahoma Increased Housing Program offers \$63.55 million for the new construction of single-family and multifamily rental homes, including the adaptive reuse of non-housing structures.

- Lesser of \$3 million or up to 85% of total development costs (TDC) (The Borrower must provide 15% of the Total Development Costs at closing to finance the development; this contribution must be in the form of equity financing (cash, land, partner contribution, etc. If awarded, an appraisal will be ordered by OHFA to establish land value.)
- No application or origination fees
- 0% interest, 24-month collateralized recourse construction loan
- Loans not repaid in this timeframe; interest rate accelerates to prime plus 4%
- OHFA must be the primary lienholder on the Development being constructed. Under no circumstances will OHFA subordinate its lien position.
- Construction must start within 180 days of award (90-day extension available)
- Developer/builder experience proportionate to the number of proposed units (Commercial experience may also be accepted in lieu of residential construction experience.)
- Minimum of 5 rental units; maximum of 200 units (scattered sites allowed)
- Rents capped at 125% of the area Fair Market Rent for three years
- 75% of funds will be set aside for developments in rural areas
- OHFA must always be the primary lien holder
- No income limits for renters
- General contractor fee and developer fee individually cannot exceed 15% of total development funds
- Adhere to the Oklahoma Uniform Building Code
- Preference shall be given to applicants under a federally or state-declared natural disaster area within twelve (12) months of the date of application.
- A market analysis is required for all types of activities
- The collateral will be the land, any structures built on the land, and any materials purchased for the project. A legal description for the land must be included.
- Proper zoning must be in place at the time of application. Documentation including zoning type and authorization date must be provided.
- The cost of Pre-construction surveys, date-down endorsements, foundation surveys, and closing costs will be included on the settlement statement at closing and it will be the borrower's responsibility to pay for these items.
- Applicants may apply for and get awarded for up to 3 applications

Threshold and Scoring Criteria

Threshold requirements include capacity, market study, financial feasibility and viability, and development readiness

Selection Criteria (55 points possible)

- Federally and/or state-declared natural disaster area - 10 points
- Department of Commerce Preference Sites - 5 points
- Proximity to amenities - 10 points
- Visitability - 10 points
- Home Energy Rating System - 10 points
- Amenities - 10 points

Tiebreakers

- 1st priority** - Federally declared natural disaster area
- 2nd priority** - State declared natural disaster area
- 3rd priority** - Lowest cost per bedroom
- 4th priority** - Lottery