

Housing New Mexico  
MFA

2025 QAP Workshop

Housing Development  
Department



# 2025 Qualified Allocation Plan Workshop

1

**Tax Credit Timeline Overview**

2

**2024 Round Results**

3

**2025 QAP Review**

4

**2025 Application Process**

5

**Other Housing New Mexico Financing**

6

**Environmental Review Process**

7

**Tax Credit Compliance & Monitoring**

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1

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2

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4

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5

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6

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7

**Tax Credit Compliance & Monitoring**

# 9% Tax Credit Timeline

1. **January** - Apply for credits
2. **May** - Receive a tax credit reservation
3. **November 15** – Apply for carryover allocation
4. **August 31<sup>st</sup>** of following year - Submit 10% Test and construction materials
5. **December 31<sup>st</sup>** of second year following carryover - Complete project and place in service (PIS)
6. Before December 31<sup>st</sup> of first year credits - Record LURA
7. Project Lease-up: Qualify Tenants
8. Within 180 days after PIS - Apply for 8609's
9. Begin claiming credits: PIS year or following year
10. Keep tax credit units in compliance

**\*\* See 2024-2025 LIHTC Calendar on website: [housingnm.org](https://housingnm.org)**



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7

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# 2024 Tax Credit Round Results

Of the 8 Applications submitted:

- \$11,525,382 in credits were requested
  - Ratio of requests to credit ceiling was 1.88:1
  - This ratio increased from 1.54:1 in 2023
- Average TDC per unit for new construction is \$298,898
- Up from \$289,529 in 2023 and \$249,930 in 2022
- Average project size increased to 62.75 units compared to an average of 61.00 units in 2023 and 52.40 in 2022.
- Five awards in 2024 totaling \$7,145,900

# 2024 Tax Credit Round Results

## 2024 Awarded Project Information:

- Projects sizes range from 40 to 72 units and award amounts range from \$1,163,732 (rehab) to \$1,622,805 (new construction)
- A total of 282 affordable housing units funded:
  - 202 new construction / 102 rehabilitation
- All projects are serving housing priority populations
- All projects received points for locational efficiency, sustaining affordability, income levels of tenants, extended use period, leveraging resource, public housing authority marketing, smoke-free properties, and other scoring points available
- No project received points for rehabilitation projects, special needs households, tenant ownership, historic significance, blighted buildings/brownfields, or adaptive reuse

**The Most Successful Application**  
is for the project that you can  
deliver and successfully operate  
for the entire extended use  
period!



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# Qualified Allocation Plan

- The QAP is the State of NM's plan for allocating its tax credits.
- It is prepared annually, consistent with IRC §42(m).
- Approval Process – Approved by Governor.

<https://housingnm.org/developers/lihtc/current-and-prior-tax-credit-rounds>

Don't forget about the FAQs as these are incorporated into the 2025 QAP by reference.

<https://housingnm.org/developers/lihtc/lihtc-applications-faq-2025>

# New in 2025

- Designated ROFR Agreement due August 31, 2026
- Rent Comparability Study for HUD Post-Rehab Rents
- Points for Permanent Affordability
- Quarterly On-Site or Online Security Awareness Training
- Computer Training expanded to Technology Training
- Medicare/Medicaid application assistance/screening
- Preservation Projects – loan sales proceeds
- Federal Housing Trust Funds – not eligible for Leverage Points
- Complete Application Points removed
- Expanded CCRP Definition
- Efficient Use of Tax Credits limits increased; new small unit & PSH categories

# New in 2025

- Developer Fees increased \$2,000 per unit; max \$2.5M
- Maximum LIHTC per Project \$1,700,000
- ¼ mile distance between Projects by same Principal or Affiliate
- Simplified compliance affidavit
- 4% LIHTC Projects:
  - 15 minutes from Grocery Store in Master Plan
  - Readiness preference when volume cap constrained at year end
  - Limit on bond volume cap is 60% of aggregate basis

# Nonprofit Set-Aside

SECTION VII: Nonprofit Determination	
<b>(Federal Tax Credit, HOME, NHTF, and NMHTF Projects Only)</b>	
If this project is to be considered for the Nonprofit Set-Aside, or for additional points for nonprofit participation, the following must be complete. To qualify for the nonprofit set-aside, the applicant must materially participate in the development and operation of the project throughout the compliance period. Within the meaning of IRC 469(h), "a (nonprofit) shall be treated as materially participating in an activity only if the (nonprofit) owns an interest in the project and is involved in the development and operation of the project on a basis which is regular, continuous or substantial."	
Nonprofit name: _____	E.I.N.: _____
Street address: _____	Telephone: _____
City: _____ State: _____	Zip code: _____
Contact person: _____	Email: _____
Exemption Type: _____	
Exempt purposes includes fostering of Low-Income Housing: _____	
Will the nonprofit hold a 51% or greater interest in the General Partner (if partnership) or in the managing member (if LLC) and receive at least 10% of the developer fee? _____	
SECTION VII: Nonprofit Determination (Continued)	
Describe the nonprofit's participation in the development, operation, and/or management of the project:	
_____	
_____	
_____	
_____	
_____	

**Ten percent (10%) of the Annual Credit Ceiling will be set aside for Qualified Nonprofit Organization Eligible projects.**

- 501(c)3, 501(c)4, or exempt from tax under Section 501(a)
- This set-aside is funded first
- Complete Section VII of Application at Tab 2



# Underserved Populations Set Aside

Twenty percent (20%) of the Annual Credit Ceiling set aside for Underserved Populations.

The Application must indicate the desire for the Project to participate in the Underserved Populations set-aside, otherwise the Project will compete within the general round.

The Project's score must be within 20% of the highest scoring Project to be awarded tax credits through the ranking process in the same funding round.

- Permanent Supportive Housing (PSH) Projects
- Tribal Projects

# Underserved Populations Set Aside

- Indicate desire for the Project to participate in the Underserved Populations set-aside by:
- Checking the applicable box on Tab 1a

Underserved Populations Set Aside Requirements (if requesting LIHTC allocation through the set aside)			
<input type="checkbox"/>	Permanent Supportive Housing (PSH)		
15c	PSH Certification of Quality		
15d	Preliminary Memorandum of Understanding		
<input type="checkbox"/>	Tribal Projects		
15e	Map showing Project is located within a Tribal Trust Lands boundary		

- And:
  - Including the PSH Certification of Quality at Tab 15c and Preliminary MOU at Tab 15d **or**:
  - Insert a map showing the Project is located within a Tribal Trust Lands boundary at Tab 15e

# Permanent Supportive Housing

- i. Must meet threshold requirements within the Households with Special Housing Needs Housing Priority and agree to provide voluntary Case Management Services to residents.
  - ii. All service coordination and budget requirements must be sufficient to provide proposed services to all PSH residents,
  - iii. PSH Units have no time limits on occupancy,
  - iv. PSH residents have the same rights and responsibilities as those occupying other low-income or market rate housing Units\*,
  - v. PSH residents must have individual leases with identical requirements and protections as other low-income or market rate residents,
  - vi. PSH Units must cover 25% or more of the total Unit count, and
  - vii. Project Based Vouchers or other Federal operating subsidy must be in place or secured for 75% or more of the PSH Units in the Project.
  - viii. Preliminary MOU - service provider's capacity and planned description and service delivery
- \*All Projects will be required to submit a PSH Commitment to Quality checklist (Tab 15c) with the Application and annually following the award.

# PSH – Commitment to Quality Checklist

2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION		
Permanent Supportive Housing Commitment to Quality Checklist		
TBD Apartments		
In completing the PSH Certification of Quality the signatory affirms that the project has been explained to each partner named in the Universal Rental Development Application and that they understand and commit to the Quality Standards marked Yes.		
Indicator	Certification of Quality	Verifiable Quality Measures in Pre-Development and Program Planning
<b>Resident Centered</b>		
Resident-Driven Planning	<input type="checkbox"/> YES <input type="checkbox"/> NO	During the project planning process, individuals representing the priority target population have been involved, either through at least one individual meeting with the supportive housing project team and/or at least one focus group with members of the targeted tenancy.
	<input type="checkbox"/> YES <input type="checkbox"/> NO	There are multiple documented plans of how resident feedback is and will continue to be incorporated into the supportive housing project.
Commitment to Supportive Housing Goals	<input type="checkbox"/> YES <input type="checkbox"/> NO	There are written goals and/or targeted resident outcomes for the supportive housing project.
	<input type="checkbox"/> YES <input type="checkbox"/> NO	The project will have a reliable method for collecting and reviewing data on the targeted resident outcomes (such as housing retention, income, changes in health outcomes, employment, social connectedness).
Privacy & Living Space (Necessary Amenities)	<input type="checkbox"/> YES <input type="checkbox"/> NO	Based on the household composition of the planned priority population, there will be an adequate number of bedrooms per unit.
	<input type="checkbox"/> YES <input type="checkbox"/> NO	Sharing of bedrooms by non-related, single, adult residents will not be required.
	<input type="checkbox"/> YES <input type="checkbox"/> NO	The Property Management plan will require the management company to provide residents an orientation

➤ **Required for all PSH Projects competing in the Underserved Populations Set-Aside**

➤ **Insert at Tab 15c**



# Threshold Requirements

All Applications must meet each of the following and include all required materials:

- Site Control
- Zoning
- Applicant Eligibility\*
- Financial Feasibility\*
- Fees
- Market Study
- Pre-Application Requirements\*

\*Not correctable through deficiency process





# Threshold Requirements – Site Control

## Three types of site control:

- Fully executed purchase contract or option
- Written governmental commitment to transfer property by deed or lease
- Recorded deed or long-term lease

## Transfer Commitment must:

- Provide an initial term\* lasting until at least June 30, 2025;
- Be binding on seller through initial term; and
- Have names, legal description, and acquisition cost that match application.

\*Initial term must not be conditioned upon any extensions requiring seller consent, additional payments or financing approval.



## Site Control

- Missing evidence of earnest deposit
  - Copy of check or
  - Receipt from Title Company
  
- Names on purchase contract don't match names on title report
  
- Missing amendments to purchase and sale contract
  - Need all amendments

# Threshold Requirements – Fees

All fees owed to MFA for all tax credit projects in which principal(s) participate must be current.

- 2025 Fees
- Application fee \$750 or \$1,500
- Design Review fee \$12,000
- Processing fee\* of 8.5%
- \$50/unit monitoring fee, due annually
- Income Averaging projects may be subject to increased monitoring fee

\*Applicable if a reservation or final determination is received





# Threshold Requirements – Applicant Eligibility

- All members of the development team of the proposed project must be in good standing with MFA and all other state and federal affordable housing agencies; and
- Related party affidavits must disclose relationships (if any) between:
  - Developer,
  - Project Owner,
  - General Partner,
  - Contractor,
  - Management company\*,
  - Consultant(s), and
  - Architect

\*Management company review deferred until construction



# Threshold Requirements – Financial Feasibility

Applications must demonstrate the project's financial feasibility based on Housing New Mexico's standards:

- QAP Section IV.C.2, Section IV.D, and Section IV.E. summarize MFA's financial feasibility considerations.
- Additional Underwriting Details in the 2025 MFA Universal Initial Underwriting Supplement.





# Threshold Requirements – Financial Feasibility

## Cost Limits

Based on average per unit and per square footage cost of new construction and adaptive re-use projects submitted in the round.

Purchase price attributed to land, costs related to commercial space, reserves and bond costs of issuance are excluded.

Per project maximum Tax Credit award is \$1,700,000 and any entity (including affiliates) may not receive more than 2 awards.



# Threshold Requirements – Market Study

Applications must contain a market study that meets the following criteria:

- Was completed by a vendor meeting the requirements agreed upon in the Market Study Professional Certification document
- Follows the methodologies identified in the Market Study Parameters
- Issued no earlier than 180 days prior to the Application submission
- The rent burden (rent plus utility allowance, if any) may not exceed 30% of gross income at each income limit proposed
- The overall Capture Rate for a Project must not exceed 10% (except Tribal and Senior Projects)





# Market Study Certification

## 2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION

### Market Study Certification of Qualified Professional

#### TBD Apartments

I undersigned, a recognized firm of independent market analysts knowledgeable and experience in the development of affordable rental properties, completed this Market Study of [Project] in [Location], NM for [Developer].

To the best of our knowledge, all data contained in this report is correct to the extent that the local, State of New Mexico and federal recording agencies and demographic suppliers accurately record and publish this data. All projections were based on current professionally accepted methodology, and that we have primarily followed MFA's Market Study Guidelines (which align with the NCHMA guidelines).

The market analyst has no financial interest in the proposed project or in any other matters involving the Developer or Applicant, or their principals. The relationship of the market analyst is limited to that of an independent market analyst. The fee assessed for the study was not contingent on the proposed development or application being approved, awarded, or funded by MFA.

The market analyst made a physical inspection of the market area, reviewed all relevant data, conducted personal interviews with local apartment managers, government officials, local real estate professionals, and service providers, and independently established the conclusions for this report.

---

Market Analyst Company

---

Market Analyst Company Representative Signature

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New Mexico Certification # (Exp.)

---

Date

- **Fill in information at top**
- **Market Analyst fills in and signs bottom**
- **Insert at front of Market Study**

# Threshold Requirements – Pre-Application

- “Intent to Submit a Tax Credit Application and Development Synopsis” required for both:
  - 4% Applicants – 30 days prior to submittal
  - 9% Applicants – by December 20, 2024
  
- All Applicants are encouraged to meet with staff prior to submission.
  - 9% Applicants – Can’t discuss scoring





# Scoring

- The board approved 2025 NM QAP has a total of 126 points available, with a minimum required score of 53 (4% applications are not scored but have minimum requirements)
- Applicant self-scores on self-score sheet
- MFA scores
- Deficiency correction process
- Highly competitive - tie breaker process
- Two tracks (new construction and rehab)





# Self Score Sheet

## 2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION LIHTC Project Selection Criteria Scoring Worksheet

### TBD Apartments

Please refer to Section III.E of the Qualified Allocation Plan for Project Selection Criteria. Indicate which of the following are characteristics of your project and/or fill in the appropriate blanks.	Possible Points	Self Score	MFA Score
1a. Qualified Nonprofit; or 1b. New Mexico Housing Authority, local Tribally Designated Housing Entity, or Tribal Housing Authority Participation	5	5	
2. Locational Efficiency	6	6	
3. Rehabilitation Projects	5	0	
4. Sustaining Affordability	10	6	
5. Income Level of Tenants <sup>1,2,3,4</sup>  A. Projects located within an Urban Area that propose to use either the 20-50 or 40-60 election under §42(g)(1)(A) or §42(g)(1)(B) of the code: - 40% of all Low-Income Units at 50% or less of AGMI: 16 pts, - 30% of all Low-Income Units at 50% or less of AGMI: 14 pts, - 25% of all Low-Income Units at 50% or less of AGMI: 12 pts	16	16	
B. Projects not located within an Urban Area that propose to use either the 20-50 or 40-60 election under §42(g)(1)(A) or §42(g)(1)(B) of the code: - 25% of all Low-Income Units at 50% or less of AGMI: 16 pts, - 15% of all Low-Income Units at 50% or less of AGMI: 14 pts, <sup>3</sup> - 10% of all Low-Income Units at 50% or less of AGMI: 12 pts <sup>3</sup>			
C. Projects located within an Urban Area that propose to use the Average Income election under §42(g)(1)(C) of the Code: <sup>4</sup> - The Average Income for the proposed Project will be 54% or lower: 16 pts, - The Average Income for the proposed Project will be 55% or lower: 14 pts, - The Average Income for the proposed Project will be 56% or lower: 12 pts			

# Scoring – Minimum Project Score

- 9% projects need a minimum score of 53 points;
- Partial points will not be awarded;
- Scoring criteria and information needed to obtain points in QAP and checklist;
- Deficiency correction used only to address incomplete applications or forms, obtain clarifications, or correct certain correctable threshold items – never scoring or allocation set-aside requirements.





# Scoring – Criterion No. 1 (3 or 5 points)

- Nonprofit, New Mexico Housing Authority (NMHA), Tribally Designated Housing Entity (TDHE), or Tribal Housing Authority Participation (THA) participation
- Tier 1 or Tier 2 requirements in application and checklist
- Federal Nonprofit Set-Aside ≠ Scoring Requirement
- Reviewed/audited financial statements for net worth/assets
- Document developer fee split with agreement among parties
- Designated form of ROFR



# Scoring – Criterion No. 1 (3 or 5 points)

- Qualifying entity required to attend most recent QAP training
- Indicate on checklist if submitting as a qualified nonprofit, NMHA, TDHE or THA





# Scoring Criterion No. 1 Right of First Refusal

## 2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION

### Nonprofit Right of First Refusal Certification TBD Apartments

The undersigned certifies that the qualified nonprofit or government agency participating in the Owner entity will receive a First Right of Refusal described in Internal Revenue Code Section 42(i)(7) using MFA's designated form of Right of First Refusal Agreement (the "ROFR Agreement") that will be recorded upon closing of the tax credit equity and submitted with the Placed In Service package. The ROFR Agreement will be executed by all signatories to the agreement that governs the Low Income Housing Tax Credit equity investment (i.e., Partnership Agreement or Operating Agreement, as applicable).

The undersigned further acknowledges that failure to deliver the recorded ROFR Agreement to MFA shall result in the cancellation of the award if Low Income Housing Tax Credits, including any Reservation or Reservation Contract, Binding Commitment and/or Carryover Allocation.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Applicant Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

#### ACKNOWLEDGMENTS:

STATE OF \_\_\_\_\_ )

COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ by \_\_\_\_\_ as \_\_\_\_\_ of \_\_\_\_\_.

Notary Public: \_\_\_\_\_

My commission expires: \_\_\_\_\_

- **Required for points under Scoring Criterion No. 1**
- **No points awarded if other documents submitted with Application contradict or limit the terms of the ROFR**
- **Insert at Tab 16a**



# Scoring – Criterion No. 2 (up to 6 points)

## Locational Efficiency

- Projects located in proximity and connected to:
  - 1) services and/or
  - 2) public transportation (new option for proximity to frequent transportation stops)
- List each amenity on the Locational Efficiency Score Worksheet (Tab 17a)
- Insert maps
- Insert additional documentation
  - Route Schedule, alternate transportation, etc.



# Scoring Criterion No 2 Locational Efficiency Worksheet

**2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION**  
**LIHTC Project Selection Criteria**  
**Locational Efficiency Worksheet**

Project Name: TBD Apartments

Select Location:

If Rural/Tribal, is map demonstrating eligibility for this classification inserted?

Enter each facility claimed for points below. Select type of facility, and distance from drop down boxes. Enter the name, address and description of each facility. Attach separate maps showing actual walk/driving distance for each facility using Google Maps.

Type of Facility	Name/Address/Description of Facility	Walk/Drive Distance
Supermarket	Name of Supermarket, Farmer's Market, etc. Address Line 1 City, State, Zip Code Description (e.g., Pharmacy, Bank, Public Park)	1/2 Mile

<input type="text"/>	Name of Facility Address Line 1 City, State, Zip Code Description (e.g., Pharmacy, Bank, Public Park)	<input type="text"/>
----------------------	--	----------------------

<input type="text"/>	Name of Facility Address Line 1	<input type="text"/>
----------------------	------------------------------------	----------------------

**Access to Public Transportation**

Select transportation type, distance and frequency from drop-down boxes. Insert route number/name. Attach Google map showing actual walking distance and transportation schedule for transportation route claimed for points.

Transportation Type	Route Number	Distance*	Frequency***
Commuter Bus Rou	Insert Route Number/Name here	1/4 Mile	Frequent

- **Distance based on location and number of facilities**
  - **Read QAP carefully**
- **Bus service must be existing and scheduled (i.e., not upon request)**
- **Insert supporting information (maps, bus schedules)**



# Scoring – Criterion No. 2 (continued)



Cardinal Direction may be indicated by adding an arrow or a statement.

# Scoring – Criterion No. 2 (continued)



- BUS ROUTES**
  - 98
  - 187
  - Bus Stop
- TRAIL**
  - Walking Path
- BIKE WAYS**
  - Bike Route
  - Core / Bicycle
  - Share The Road
- WALKING DISTANCE TO BUS STOP**
  - Under .5 Mile

**Route 60 (Brown) Outbound:**  
Ruidoso Downs East End to Village of Ruidoso

Service Hours: 6:00am to 6:00pm(M)  
\* Transfer Point for White Route

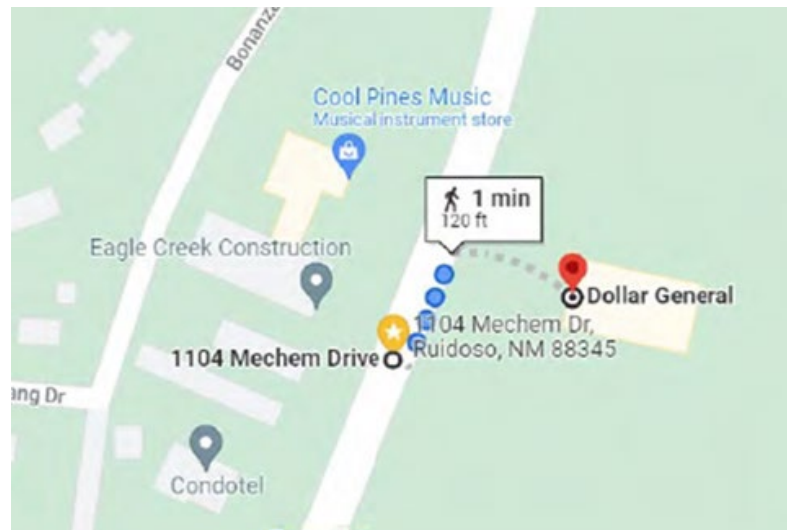
Stop ID	Stop Name		
1	Sally Day (Rv Park) Hwy 70 W	6:00	7:30
2	Cherokee St / Hwy 70 W		
3	Pfeifer (SD) / Hwy 70 W		
4	All American Park / Hwy 70W	6:05	7:35
5	Museum of the Horse / Hwy 70 W		
6	Ruidoso Downs Race track	6:20	7:40
7	Valley Mart		
8	Miller (Hwy 70W) / Hwy 70W	6:25	7:45
9	Sheldon (W/Banc) / Sucklerth Dr		
10	L.C. Medical Center / Sucklerth Dr		
11	Community Center / Sucklerth Dr		
11*	Ruidoso Chamber of Commerce	6:24	7:54
13	St. Evergreen / Sucklerth Dr		
16	Whitlock Rd / Sucklerth Dr		
23	Country Club Rd / Sucklerth Dr		
26	Center St / Sucklerth Dr	6:30	8:00
27	Mechem St / Sucklerth Dr		
28	Rainbow St / Mechem S		
29	Santa Ana (S/Mechem)	6:36	8:06
30	Walking Construction Center		
31	Dollar General / Mechem St	6:40	8:10
		8:40	9:10

Stop #21 is adjacent to site

**RUIDOSO**  
NEW MEXICO

# Scoring – Criterion No. 2 (continued)

- Frequent Transportation
  - ¼ mile walk distance
  - One hour headways Monday – Friday for at least three hours
  - Insert schedule and show which stop is claimed



**Route 10 - Weekday Southbound**

RAYMONDO S SANCHEZ COMMUNITY CENTER P&R	NORTH 4TH & CRIEGOS	NORTH 4TH & MENAUL	NORTH 4TH & LOYAS	ALVARADO TRANSPORTATION CENTER
A	B	C	D	E
5:45a	5:59a	6:06a	6:12a	6:18a
6:17a	6:31a	6:38a	6:44a	6:50a
6:47a	7:01a	7:08a	7:14a	7:20a
7:16a	7:31a	7:38a	7:44a	7:50a
7:46a	8:01a	8:08a	8:14a	8:20a
8:16a	8:31a	8:38a	8:44a	8:50a
8:46a	9:01a	9:08a	9:14a	9:20a
9:16a	9:31a	9:38a	9:44a	9:50a
9:46a	10:01a	10:08a	10:14a	10:20a
10:16a	10:31a	10:38a	10:44a	10:50a
10:46a	11:01a	11:08a	11:14a	11:20a
11:16a	11:31a	11:38a	11:44a	11:50a
11:46a	12:01p	12:08p	12:14p	12:20p
12:16p	12:31p	12:38p	12:44p	12:50p
12:46p	1:01p	1:08p	1:14p	1:20p



# Scoring – Criterion No. 3 (up to 5 points)

## Rehabilitation Projects

- Points available on a scale for projects that were last placed in service 21 – 29 years ago.
- Scope of work required at Application
- Cost thresholds for moderate/substantial rehab
- Detailed narrative + prelim relocation plan due
- Information on existing debt for feasibility analysis
- Capital Needs Assessment



# Rehabilitation Worksheet

**2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION**  
**LIHTC Project Selection Criteria**  
**Rehabilitation Worksheet**

Project: TBD Apartments

35	Number of units rehabilitated
8,000,000	Rehabilitation construction cost
45	Total number of units
77.78%	Percentage of units rehabilitated
228,571	Construction cost per rehabilitated unit

To be eligible for points under this criterion, the following requirements must be met as a threshold before considering the age of the property:

- 1) At least 51% of total Units are rehabilitation units,  
 and
- 2) Rehabilitation construction cost of at least \$25,000 per unit for moderate rehabilitation or;  
 Rehabilitation construction cost of at least \$45,000 per unit for substantial rehabilitation  
 and
- 3) More than 20 years have elapsed since issuance of certificates of occupancy or the Units were Placed In Service and/or it has been 20 years since the Project's prior rehabilitation utilizing tax credits as a source of funding was finished and those Units were Placed In Service ("the 20-year requirement").

**Last building must have been PIS:**

- 21 Years = 1 point (before 1/22/2004)
- 23 Years = 2 points (before 1/22/2002)
- 25 Years = 3 points (before 1/22/2000)
- 27 Years = 4 points (before 1/22/1998)
- 29 Years = 5 points (before 1/22/1997)

**Submit one of the following to establish PIS:**

- If LIHTC, must submit Form 8609 for each building AND
- LIHTC LURA

**Non-LIHTC may submit:**

- Certificate of Occupancy
- Property Tax Records

**Insert at Tab 18**



# Scoring – Criterion No. 4 (6, 8, 10 points)

## Sustaining Affordability

10 points:

- Existing subsidized use restrictions expire by December 31, 2028;
- QC eligible;
- Imminent risk of conversion to market rate; or
- Future federal RA contract covering at least 75% of all units



# Scoring – Criterion No. 4 (continued)

## Sustaining Affordability

8 points:

- Projects that have an existing federal rental assistance contract covering at least 75% of all units; or
- those utilizing a conversion of existing federal rental assistance (e.g., RAD)

6 points:

- Projects that have/will have a federal rental assistance contract covering at least 20 percent of all units





## Sustaining Affordability

### Underwrite HUD Post-Rehab Rents:

- Rent Comparability Study
- those utilizing a conversion of existing federal rental assistance (e.g., RAD)

### Underwrite Current HUD Rents:

- Provide documentation of current OCAF-based rents, or
- Published payment standard



# Scoring – Criterion No. 5 (12, 14, 16 points)

## Income Levels of Tenants

- Point requirements based on Project election and location (urban or rural)
- For 20/50 or 40/60 election, points based on percentage of units at or below 50% AMI
- For Average Income election, points based on average income of units
- Rural projects receive same number of points for fewer units at lower incomes



# Scoring – Criterion No. 6 (2 points)

## Market Rate Units

- Minimum 15% of the total units.
- If Average Income election under §42(g)(1)(C) in Criterion 5 then ineligible for points in Criterion 6.
- Include market rate units on Schedule B and Page 2 of Tab 2





# Scoring – Criterion No. 7 (5, 8 points)

## Extended Use Period

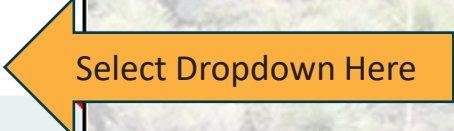
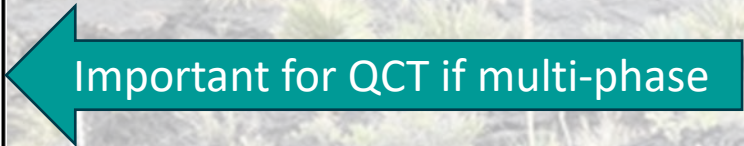
- Five points for 35-year Extended Use Period.
- Eight points for Permanent Affordability
- Indicate on Page 1 of Tab 2 (Application form)

SECTION III: Description of Project		
<b>Subsidy, Period of Affordability - Use Restriction</b>		
Will project use project-based rental assistance subsidies?	<input type="text" value="No"/>	No. of Units: <input type="text" value="0"/>
Will project accept Section 8 vouchers or certificates?	<input type="text" value="Yes"/>	
<b>Low Income Housing Tax Credit Applications:</b>		
Project owner irrevocably commits to an Extended Use Period of	<input type="text" value="35 years.*"/>	←
*Includes 15 yr. compliance period		
<b>Is this the first phase of a multi-phased Project?</b>	<input type="text" value="No"/>	
If yes, please include a description of the additional phase(s) in the Narrative, including how many buildings are to be built in each phase and when each phase is to be completed.		





# Scoring Criterion No. 7 Period of Affordability

SECTION II: Project Address and Identification		
Project Name: TBD Apartments	Census Tract:	
Project Address:	Congressional District:	
City:	State Senate District:	
State: Zip Code:	State House District:	
County:	Urban Area or Rural Area	
		(Per the 2025 QAP "Urban" definition)
(Attach additional sheet(s) if necessary)		
SECTION III: Description of Project		
<b>Subsidy, Period of Affordability - Use Restriction</b>		
Will project use project-based rental assistance subsidies?	<input type="text" value="No"/>	No. of Units: <input type="text" value="0"/>
Will project accept Section 8 vouchers or certificates?	<input type="text" value="Yes"/>	
<b>Low Income Housing Tax Credit Applications:</b>		
Project owner irrevocably commits to an Extended Use Period* of	<input type="text" value="Permanent Affordability"/>	 <p>Select Dropdown Here</p>
*Includes 15 yr. compliance period	<input type="text" value="Explain 'other' here"/>	
<b>Is this the first phase of a multi-phased Project?</b>	<input type="text" value="No"/>	 <p>Important for QCT if multi-phase</p>
If yes, please include a description of the additional phase(s) in the Narrative, including how many buildings are to be built in each phase and when each phase is to be completed.		

# Common Errors on Applications!

SECTION III: Description of Project		
<b>Subsidy, Period of Affordability - Use Restriction</b>		
Will project use project-based rental assistance subsidies?	<input type="text" value="No"/>	No. of Units: <input type="text" value="0"/>
Will project accept Section 8 vouchers or certificates?	<input type="text" value="Yes"/>	
<b>Low Income Housing Tax Credit Applications:</b>		
Project owner irrevocably commits to an Extended Use Period* of	<input type="text" value="Other (explain in detail below)"/>	<b>At least 30 years</b>
*Includes 15 yr. compliance period	<input type="text" value="15 Years"/>	
<b>Is this the first phase of a multi-phased Project?</b>	<input type="text" value="No"/>	
If yes, please include a description of the additional phase(s) in the Narrative, including how many buildings are to be built in each phase and when each phase is to be completed.		

# Scoring – Criteria No. 8 - 10

All three priorities, special housing needs, senior housing and households with children are required to:

- Comply with Fair Housing Act requirements;
- Services must be provided throughout entire Affordability Period; and
- Owners may not allow for more than a 30-day gap in service.





# Scoring – Criterion No. 8 (up to 10 points)

## Special Housing Needs

- 20% of the units reserved for special housing needs households and services provided (to be eligible at least 10% of units restricted at 30% AMI or permanent rental subsidy support)
- Threshold: Service Coordination Certification plus at least 2 services + proposed budget
- **Up to 10 points available for deeper services**
- MOU – who and how services delivered; update
- Related party service provider – expertise narrative



# Scoring Criterion No. 8 (continued)

## 2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION LIHTC Project Selection Criteria Households with Special Housing Needs Use Certification and Scoring Detail

### TBD Apartments

I have read and understand the definition of "Households with special housing needs" as defined in the 2025 Qualified Allocation Plan. Project Owner commits to reserve units for Households with special housing needs as outlined below.

Check the box on the right below if the Applicant is seeking points under this Project Selection Criterion:

20 percent of the units are reserved as special housing needs units. In addition, Project Owner commits to rent restricting at least 10 percent of the special needs units at 30 percent of AMI, or at 30 percent of tenant's income via a rental assistance contract that is secured at the time of application.

Check the box on the right below if Project Applicant is seeking additional scoring points under Project Selection Criterion 22 "Other Points Available" at 2025 QAP Section III.E.22.i.b

Applicant further agrees to restrict an *additional 5 percent* of the total units in the Project to residents earning 30 percent or less of AMI, which units may have permanent rental subsidy support with a project based federal rental assistance contract that ensures residents do not pay rent in excess of 30 percent of their adjusted income.

"Reserved" will mean that the units may not be rented to other households unless the unit has been marketed for

Project Owner commits to providing a Service Coordination Plan ("Plan") and Service Budget at time of submission of their 2025 LIHTC Application.

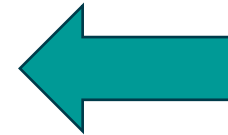
Recognizing that circumstances change over time, the Plan may evolve as needs of residents and market conditions change. Project Owner must obtain MFA approval prior to instituting changes to the Plan, and the new services must provide a similar level of service to the residents.



# Scoring – Criterion 8 (continued)

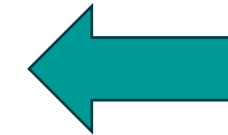
Check the box on the right below if the Applicant is seeking points under this Project Selection Criterion:

20 percent of the units are reserved as special housing needs units. In addition, Project Owner commits to rent restricting at least 10 percent of the special needs units at 30 percent of AMI, or at 30 percent of tenant's income via a rental assistance contract that is secured at the time of application.



Check the box on the right below if Project Applicant is seeking additional scoring points under Project Selection Criterion 22 "Other Points Available" at 2025 QAP Section III.E.22.i.b

Applicant further agrees to restrict an *additional 5 percent* of the total units in the Project to residents earning 30 percent or less of AMI, which units may have permanent rental subsidy support with a project based federal rental assistance contract that ensures residents do not pay rent in excess of 30 percent of their adjusted income.



If claiming the additional points under Criterion 21, the second box must be checked, and the applicable unit mix must be consistent throughout the Application.



# Scoring Criterion No. 8 (continued)

## 2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION LIHTC Project Selection Criteria Service Coordination Plan and Budget

Project Name: TBD Apartments Number of Units: 45

Contact Person: [for service coordination plan]

Email: \_\_\_\_\_ Phone: \_\_\_\_\_

Applicants requesting consideration for points for a Project in which Units are reserved for Households with Special Housing Needs (Project Selection Criterion No. 8) are required to submit a Service Coordination Plan ("Plan"), which Plan demonstrates satisfaction of items A, B, C and E (outlined in the QAP). In addition to supplying the Plan, Applicant shall certify to MFA that it will meet the reporting requirements of Section D. The below items must be filled out, but additional Plan materials are expected.

*Note: Threshold Services described in this Service Coordination Plan and Budget may not duplicate Additional Coordinated Services claimed for points in Part II of QAP Section III.E.8.*

### On-Site Service Coordination:

# hours/week? 9 Coordinator hired? Yes (attach resume)

Where on site will the service coordinator work?

In the on-site office designated for this staff position.

Threshold Coordinated Service #1: Life Skills

Enter service provider name and attach resume ABC Life Skills Corp

Frequency of Service: Monthly

Annual Cost: to Owner: 2,000 to Resident: \$0

Location: On-Site

Off-Site Location (if applicable) \_\_\_\_\_

Brief Description: (Describe the service, how it will be delivered and how it is actively linked to Project)

ABC Life Skills will provide monthly on-site life skills classes in the on-site community center.

- **Include MOU between Owner and Third-Party Service Provider OR Narrative detailing experience and planned services from affiliated service provider**
- **Marketing Narrative explains how units will be marketed to targeted population**

# Scoring Criterion No. 8 (continued)

## Budget

Revenue Sources	\$ Amount					
	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Property operating budget	2,500	2,500	2,500	2,500	2,500	12,500
Management company budget	-	-	-	-	-	-
Owner contribution	-	-	-	-	-	-
Grant:	-	-	-	-	-	-
Other:	-	-	-	-	-	-
Other:	-	-	-	-	-	-
<b>Total:</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>	<b>12,500</b>

Expenses	\$ Annual					
	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel (salary/fringe)	2,400	2,400	2,400	2,400	2,400	12,000
Training	-	-	-	-	-	-
Office Supplies	100	100	100	100	100	500
Transportation	-	-	-	-	-	-
<b>Total:</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>	<b>12,500</b>

**Budget Narrative-** Include detail below on expenses and sources of funds other than operating funds for the service coordination to be provided for this project:

All social services funding will come from the operating budget for the property, as listed on line 49 of the operating budget submitted at Tab 5a.

- **Budget for Supportive Services must balance**
- **Must include Personnel expenses**
- **Explain sources other than operating budget.**



# Scoring – Criterion No. 9 (up to 10 points)

## Senior Housing

- 80% @ 55+ or 100% @ 62+ of total units reserved for Senior Housing.
- Points based on services provided.
- Design requirements – mandatory for points.
- On-site service coordinator – required for service points.
- The proposed project annual operating budget must include at least \$2,500 for the provision of social services.
- Senior Fair Housing Certification required
- (see Tab 21d of application).





# Scoring – Criterion No. 10 (up to 8 points)

## Households with Children

- At least 25% of the total units reserved for Households with Children.
- Points based on services provided.
- Design requirements – mandatory for points.
- On-site service coordinator – required for service points.
- The proposed project annual operating budget must include at least \$2,500 for the provision of social services.



# Scoring – Criterion No. 10 (continued)

## Households with Children

Unit Mix Requirements	
	% of Total Units
3/3+ bedrooms and 2 baths	10%
2 bedrooms and 2 baths	15%
<b>Total:</b>	<b>25%</b>

*See Scoring Criterion 10 for unit requirements*  
*“At least” = Round down, not up*

Unit Mix Calculations	
	Units
3/3+ bedrooms and 2 baths	10
2 bedrooms and 2 baths	50
<b>Total</b>	<b>60</b>
Total Units in Project	68
	% of Total Units
3/3+ bedrooms and 2 baths	14.70%
2 bedrooms and 2 baths	73.50%

# Scoring – Scoring Criteria 8 - 10

## Frequent Errors for Criteria 8 – 10

- Information for service providers missing
- Marketing plan missing (targeted Special Needs)
- Service Budget:
  - Missing entirely
  - Sources/Uses don't balance
  - Sources to pay for services not identified on budget
  - Only stating that a source is providing a service without including the amount that source is paying
- Not clearly explaining how the service will be provided on site





# Scoring – Criteria 8 – 10 Sample Budget

## Budget

Revenue Sources	\$ Amount					
	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Property operating budget	2,500	2,500	2,500	2,500	2,500	12,500
Management company budget	-	-	-	-	-	-
Owner contribution	250	250	250	250	250	1,250
Grant:	10,000	10,000	10,000	10,000	10,000	50,000
Other:						-
Other:						-
Total:	12,750	12,750	12,750	12,750	12,750	63,750

Expenses	\$ Annual					
	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel (salary/fringe)	10,000	10,000	10,000	10,000	10,000	50,000
Training	2,000	2,000	2,000	2,000	2,000	10,000
Office Supplies	500	500	500	500	500	2,500
Transportation	250	250	250	250	250	1,250
Total:	12,750	12,750	12,750	12,750	12,750	63,750

# Scoring – Criteria No. 8 - 10

Service	Special Needs	Seniors	HH w Children
Food Pantry	*		
Free Transportation Services	*		
Health Promotion/disease prevention/wellness classes or blood pressure or other health screening	*		
Quarterly on-site or online security awareness training	*	*	*
Case Management Services	*		
Daily prepared meals		*	
Bi-monthly health and nutrition education		*	*
Quarterly blood pressure or other health screening		*	*
Quarterly technology training		*	*
Social events designed to build community		*	
Beyond Financial Literacy		*	*
Gardening (4 classes/yr)		*	*
Estate Planning / End of Life Planning		*	
Semi-annual Medicaid/Medicare screening		*	
Semi-annual CPR training			*
Weekly tutoring during the school year			*
Quarterly job training, search assistance and/or placement			*
Food Resources Program: 1) assist with SNAP, USDA 2) daily youth lunches when school not in session 3) after-school snack program twice weekly			*
Quarterly Youth Character Building			*



# Scoring – Criteria 8 – 10 example


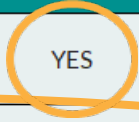
Services Provided	Selection	Points
<p>Threshold requirement - Project Applicants requesting consideration for points for Project in which units are reserved for Households with Special Housing are required to submit a Service Coordination Plan ("Plan"). The Plan, along with required reporting, shall be satisfied in order to achieve threshold and be eligible for points in this category. At least two services or programs must be offered on a monthly or quarterly basis as a threshold requirement and documented in this application. These services may be the same as those listed below, or other services, but points are only available for services selected above and beyond those chosen for this threshold requirement.</p>	YES	
<p>Applicant can choose from the following additional services to qualify for up to 8 points for providing services. For services provided by a qualified service provider, Application must include an MOU between the Project Owner and the service provider(s) – see QAP Section III.E.8.Part II.</p>		
<p><b>Food pantry - onsite, or contiguous and accessible to the property and of adequate size with reasonably sufficient quantities of food, both perishable and non-perishable. (2 points)</b></p>	YES	2
<p style="text-align: center;">Enter name of food provider to the right and attach resume</p>	Roadrunner Food Bank	
<p style="text-align: center;">Where will food pantry be located?</p>	On-site community building	
<p>Briefly describe the process and frequency for residents to access food pantry below:</p>		
<p>Residents will have access to the food pantry weekly on Saturday morning from 8:00 am to noon. Each household will receive a coupon that is good for up to 10 items from the pantry. The property will post a sign outside the food pantry specifying how many of each food type (i.e. vegetables, canned goods, etc) that the household may take, depending on the food that is received from Roadrunner that week.</p>		



# Scoring Criteria 8-10 example (continued)

Recognizing that circumstances change over time, the Plan may evolve as needs of residents and market conditions change. Project Owner must obtain MFA approval prior to instituting changes to the Plan, and the new services must provide a similar level of service to the residents.

[The certification for this statement occurs in the Omnibus Certification under Tab 1c. If requesting points under this scoring criterion, please include this statement under Tab 20a.]

Services Provided	Selection	Points
Threshold requirement - Project Applicants requesting consideration for points for Project in which units are reserved for Households with Special Housing are required to submit a Service Coordination Plan ("Plan"). The Plan, along with required reporting, shall be satisfied in order to achieve threshold and be eligible for points in this category.	 YES	
At least two services or programs must be offered on a monthly or quarterly basis as a threshold requirement and documented in this application. These services may be the same as those listed below, or other services, but points are only available for services selected above and beyond those chosen for this threshold requirement.		
<b>Applicant can choose from the following additional services to qualify for up to 10 points for providing services. For services provided by a qualified service provider, Application must include an MOU between the Project Owner and the service provider(s) – see QAP Section III.E.8.Part II.</b>		
Food pantry - onsite, or contiguous and accessible to the property and of adequate size with reasonably sufficient quantities of food, both perishable and non-perishable. (2 points)	 YES	2
Enter name of food provider to the right and attach resume	Roadrunner Food Bank	
Where will food pantry be located?	On-site community building	
Briefly describe the process and frequency for residents to access food pantry below:		
Residents will have access to the food pantry weekly on Saturday morning from 8:00 am to noon. Each household will receive a coupon that is good for up to 10 items from the pantry. The property will post a sign outside the food pantry specifying how many of each food type (i.e. vegetables, canned goods, etc) that the household may take, depending on the food that is received from Roadrunner that week.		
Free transportation to support medical and social service needs		

# Common Errors on Applications!

- Self Score more points than eligible
- Information for service providers missing
- Marketing plan to targeted Special Needs population missing
- Service Budgets
  - Missing
  - Sources/Uses don't balance
  - Sources to pay for services not identified
  - Only stating that a source is providing services without include the amount they are paying

## Priority Populations *Frequent Errors*

### Budget

Revenue Sources	\$ Amount					
	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Property operating budget	2,500	2,500	2,500	2,500	2,500	12,500
Management company budget	-	-	-	-	-	-
Owner contribution	250	250	250	250	250	1,250
Grant:	10,000	10,000	10,000	10,000	10,000	50,000
Other:	-	-	-	-	-	-
Other:	-	-	-	-	-	-
<b>Total:</b>	<b>12,750</b>	<b>12,750</b>	<b>12,750</b>	<b>12,750</b>	<b>12,750</b>	<b>63,750</b>

Expenses	\$ Annual					
	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel (salary/fringe)	10,000	10,000	10,000	10,000	10,000	50,000
Training	2,000	2,000	2,000	2,000	2,000	10,000
Office Supplies	500	500	500	500	500	2,500
Transportation	250	250	250	250	250	1,250
<b>Total:</b>	<b>12,750</b>	<b>12,750</b>	<b>12,750</b>	<b>12,750</b>	<b>12,750</b>	<b>63,750</b>

# Scoring – Criterion No. 11 (up to 10 points)

## Leveraging Resources

- Up to 10 points for eligible contribution corresponding to the percentage of TDC contributed.
- Whole points only – rounded down
  - (e.g., 2.7% = 2 points)
- The value of the contribution must be listed as a source on Schedule A-1 and, when not a cash contribution, the corresponding cost must be listed as a cost on Schedule A.





# Scoring – No. 11 (continued)

- Unrelated 3rd party
  - Cash grant, donated land/building
- General Partner
  - Deferred Developer Fee, donated land/building, loaned sales proceeds
- Government
  - Cash, soft loan with no required payment
  - Construction permit fee waivers
  - Land/Buildings
- Tribal
  - Cash, soft loan with no required payment
  - Land (5 points)



# Scoring – Criterion No. 11 (continued)

Developer Fee must be able to be repaid within 15 years.  
In this example, \$500,000 is reduced to \$477,590.

Annual Projections (Post Construction Period)	1	2	13	14	15
<b>Income</b>					
<b>Effective Gross Income (EGI)</b>	<b>489,377</b>	<b>499,165</b>	<b>620,648</b>	<b>633,061</b>	<b>645,723</b>
<b>Expenses</b>					
Total Expenses	318,720	327,988	449,793	462,914	476,422
<b>Net Operating Income</b>	<b>170,657</b>	<b>171,177</b>	<b>170,856</b>	<b>170,147</b>	<b>169,301</b>
<b>Annual Debt Service (Hard Debt)</b>					
First Mortgage	139,727	139,727	139,727	139,727	139,727
<b>Total Debt Service</b>	<b>139,727</b>	<b>139,727</b>	<b>139,727</b>	<b>139,727</b>	<b>139,727</b>
<b>Net Project Cash Flow</b>	<b>30,930</b>	<b>31,450</b>	<b>31,129</b>	<b>30,420</b>	<b>29,574</b>
Debt Service Coverage - First	1.22	1.23	1.22	1.22	1.21
Debt Service Coverage - All Debt	1.22	1.23	1.22	1.22	1.21
<b>Deferred Developer Fee</b>	<b>469,070</b>	<b>437,620</b>	<b>82,404</b>	<b>51,984</b>	<b>22,410</b>

## Leveraging Resources Worksheet

### TBD Apartments

Total development cost	\$ 23,000,000
Amount or value and description of leverage	
Housing New Mexico/MFA HOME	\$ 800,000
Housing New Mexico/MFA NHTF	\$ 400,000
Federal Home Loan Bank/AHP	\$ 500,000
Deferred Developer Fee	\$ 500,000
	\$ -
Contribution/total development cost	9.6%
Eligible points	
The amount or value of the resource must be listed as a source on Schedule A-1 and, when not a cash contribution, as a cost on Schedule A. Total development cost must be as listed in Cell C:98 on Schedule A.	

Housing New Mexico funds not eligible –  
Results in \$1,200,000 reduction.

AHP \$500,000 + Deferred Developer Fee \$477,590 = \$977,590. When divided by TDC = 4.25% for 4 points.

# Scoring – Criterion No. 11 (continued)

## Leveraging Resources - Exclusions

- Sources with hard payments during the affordability period
- Housing New Mexico/MFA funds
- Tax abatements
- Remediation paid by previous owner
- Non-verifiable/non-measurable (e.g., in-kind)
- Stale (i.e., earlier than 1/22/2023)
- Proceeds of a loan of a capitalized lease payment





# Scoring – Criterion No. 12 (2 points)

## Commitment to market units to public housing authority waiting lists

- Include letter to PHA or Tribally Designated Housing Entity committing to market units to their waitlist



# Scoring – Criterion No. 13 (3, 5 points)

## QCT/CCRP:

### Eligible for 3 points if:

- Contribute to Concerted Community Revitalization Plan, **OR**
- Located within ½ mile of:
  - NM Designated MainStreet area
  - State Designated NM Arts and Cultural District

### Eligible for 5 points if:

- Meet requirements above

**AND**

- Project located within a 2025 QCT

**No points if only located in QCT**



# Scoring – Criterion No. 13 (continued)

## What is a CCRP?

- NMSA 1978 Section 3-60A-4 (Metropolitan Redevelopment Plan)
- Formal plan covering a defined subarea of the jurisdiction
  - Enacted/Adopted by Jurisdiction
  - Project site located within boundaries
  - Sometimes called a “Section Plan” by local government
- Project must contribute to the CCRP
  - Not merely located within boundaries

A CCRP is not a local jurisdiction’s:

- Affordable Housing Plan
- HUD Consolidated Plan
- General Plan

## Scattered Sites

- All sites must be within boundaries of CCRP



# Scoring – Criterion No. 13 (continued)

## CCRP example:

Meet each of the criteria for the type of CCRP selected for points.

(Yellow box to the right will automatically select “YES” if all criteria are met.)

Describe the specific housing activity promoted in the CCRP.

Include page number in plan where the specific housing activity is promoted in the plan, for which the project qualifies.

Criterion	Requirement(s)	Criteria Met		
<b>Concerted Community Revitalization Plan</b> (3 points for meeting one of three requirements:)	<b>Metropolitan Redevelopment Plan</b>	NO		
	As defined in NMSA 1978 Section 3-60A-4 prepared and enacted by a local, county or tribal government prior to the Application deadline and:		NO	
	-includes a housing activity promoted by the plan and the project contributes to that housing activity		NO	
		The project is located within the geographic boundaries defined in the CCRP described above.	NO	
		<b>Other Concerted Community Revitalization Plan</b> Formal plan covering a defined subarea of the jurisdiction that includes the project site that has been enacted or adopted by a local, county or tribal government prior to the Application Deadline that:	YES	
		-was enacted or adopted by the local, county or tribal government before January 21, 2025		YES
		-includes a housing activity promoted by the plan and the project contributes to that housing activity		YES
		-specifies a defined geographic area to be revitalized that is smaller than the jurisdiction of the government that enacted or adopted the plan		YES
		-is not the jurisdiction's HUD 5-year Consolidated Plan or Annual Action Plan		YES
		-is not the jurisdiction's Affordable Housing Plan submitted to qualify under NMSA 1978 Section 6-27-3		YES
	-is not the jurisdiction's general plan or other zoning ordinance.	YES		
	The project is located within the geographic boundaries defined in the CCRP described above.	YES		
	Description of the specific housing activity promoted in the plan: Revitalization of housing in the downtown historic district.			
	Page number(s) of the plan describing the specific housing activity promoted:		12	

# Scoring – Criterion No. 13 (continued)

## What needs to be in Tab 25:

- Tab 25a of Application properly completed
- Describe specific housing activity
- Insert page number where that housing activity found in the CCRP
- CCRP documentation must be included in Application
- If NM MainStreet or NM Arts & Cultural District – include map showing project within ½ mile of boundary
- If QCT – include map showing project within boundaries of QCT



# Scoring – Criterion No. 14 (2 points)

## Projects with Units Intended for Eventual Tenant Ownership

- Cannot be combined with  
Extended Use Period Points
- Additional requirements for  
Tenant Conversion Plan





# Scoring – Criterion No. 15 (2 points)

## Historic Significance

- Include National Register of Historic Places (Part 1) certification
- If scattered site – at least 10% of GSF of entire Project must be historic building(s)
- If federal Historic Tax Credits are a financing source – NPS Part 2 required at Application



# Scoring – Criterion No. 16 (5 points)

## Blighted Buildings or Reuse of Brownfield Site

- Blighted Building(s):
  - Can't be combined with Rehabilitation Criterion
  - Blighted Building(s) demolished = 10% of the GSF of entire project
  - Determination of blight
  - Demolition Budget
- Brownfield:
  - Phase II Environmental Assessment
  - Remediation Budget
  - Scope of work



# Scoring – Criterion No. 17 (1, 3, 5 Points)

## Efficient Use of Credits

- Scoring thresholds and related points vary depending on type of project (see next slides)
  - New Construction (includes adaptive reuse)
  - Substantial Rehabilitation (see Glossary definition)
  - Moderate Rehabilitation
- Limits also depend on whether the project is:
  - Tribal
  - PSH
  - 80% Efficiency and One-Bedroom Units
  - All other



# Scoring – Criterion No. 17 (continued)

## Tribal Projects

New Construction	<\$28,772/LI unit	AND	<\$26.95/LI sf	=5 Points
	<\$30,452/LI unit	AND	<\$29.56/LI sf	=3 Points
	<\$28,772/LI unit	OR	<\$26.95/LI sf	=1 Point
Substantial Rehabilitation	<\$26,673/LI unit	AND	<\$23.57/LI sf	=5 Points
	<\$28,143/LI unit	AND	<\$25.87/LI sf	=3 Points
	<\$26,673/LI unit	OR	<\$23.57/LI sf	=1 Point
Moderate Rehabilitation	<\$24,572/LI unit	AND	<\$20.22/LI sf	=5 Points
	<\$25,833/LI unit	AND	<\$22.16/LI sf	=3 Points
	<\$24,572/LI unit	OR	<\$20.22/LI sf	=1 Point

# Scoring – Criterion No. 17 (continued)

## Permanent Supportive Housing Projects

New Construction	<\$28,772/LI unit	=5 Points
	<\$30,452/LI unit	=3 Points
Substantial Rehabilitation	<\$26,673/LI unit	=5 Points
	<\$28,143/LI unit	=3 Points
Moderate Rehabilitation	<\$24,572/LI unit	=5 Points
	<\$25,833/LI unit	=3 Points

# Scoring – Criterion No. 17 (continued)

## 80% Efficiency & One-Bedroom Projects

New Construction	<\$28,049/LI unit	AND	<\$26.95/LI sf	=5 Points
	<\$29,656/LI unit	AND	<\$29.56/LI sf	=3 Points
	<\$28,049/LI unit	OR	<\$26.95/LI sf	=1 Point
Substantial Rehabilitation	<\$26,040/LI unit	AND	<\$23.57/LI sf	=5 Points
	<\$27,447/LI unit	AND	<\$25.87/LI sf	=3 Points
	<\$26,040/LI unit	OR	<\$23.57/LI sf	=1 Point
Moderate Rehabilitation	<\$24,030/LI unit	AND	<\$20.22/LI sf	=5 Points
	<\$25,236/LI unit	AND	<\$22.16/LI sf	=3 Points
	<\$24,030/LI unit	OR	<\$20.22/LI sf	=1 Point



# Scoring – Criterion No. 17 (continued)

## All Other Projects

New Construction	<\$28,049/LI unit	AND	<\$25.78/LI sf	=5 Points
	<\$29,656/LI unit	AND	<\$28.27/LI sf	=3 Points
	<\$28,049/LI unit	OR	<\$25.78/LI sf	=1 Point
Substantial Rehabilitation	<\$26,040/LI unit	AND	<\$22.54/LI sf	=5 Points
	<\$27,447/LI unit	AND	<\$24.76/LI sf	=3 Points
	<\$26,040/LI unit	OR	<\$22.54/LI sf	=1 Point
Moderate Rehabilitation	<\$24,030/LI unit	AND	<\$19.34/LI sf	=5 Points
	<\$25,236/LI unit	AND	<\$21.20/LI sf	=3 Points
	<\$24,030/LI unit	OR	<\$19.34/LI sf	=1 Point

# Efficient Use of Credits Worksheet

**2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION**  
**LIHTC Project Selection Criteria**  
**Efficient Use of Credits Worksheet**

**TBD Apartments**

49,500	Sum of each building's gross square feet <sup>(1)</sup>
100.00%	Project applicable fraction
49,500	Adjusted square feet
45	Low income units
1,275,000	Tax credit request
25.76	Tax credits per low income square foot
28,333	Tax credits per low income unit

“Building's Gross Square Feet” means the sum of the gross square feet on each floor of a building.

“Gross Square Feet” means the area that includes all enclosed space as measured from the exterior face of the building walls, and means everything under the roof, including storage and patios.

<sup>(1)</sup> Must match total square feet (minus commercial space) on page 3 of the Universal Rental Development application form as well as the gross square feet listed on the site plan. Do not include garages and/or structured parking.

**Assuming a new construction, this Project qualifies for 5 points for “All other Projects”**

- **Requests less than \$28,049/LI-Unit**
- **Requests less than \$25.78/LI sf**

# Scoring – Criterion No. 18 (4, 6 points)

## Non-Smoking Properties

- Smoke Free at Home program:
  - Platinum certification = 6 points (NC)
  - Gold certification = 6 points (Rehab/Adaptive Reuse)
  - Silver certification = 4 points (All project types)





# Scoring Criterion No. 18 Non-Smoking Certification

## 2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION LIHTC Project Selection Criteria Non-Smoking Property Certification Selection Form

Project Owner(s) \_\_\_\_\_ and \_\_\_\_\_  
certify \_\_\_\_\_ TBD Apartments \_\_\_\_\_ to be a non-smoking property and participate in the Smoke Free at Home New Mexico program and obtain one of the following Certifications (check applicable box) and provide evidence of said Certification to MFA no later than date of Placed-In-Service:

Smoke Free at Home NM **Platinum** Certification (for **new construction** projects which do not allow smoking at any time on any part of the project property); OR

Smoke Free at Home NM **Gold** Certification (for **rehabilitation and/or adaptive reuse** projects on which no smoking is permitted at any time on any part of the project property); OR

Smoke Free at Home NM **Silver** Certification (for **new construction, rehabilitation and/or adaptive reuse** projects which do not allow smoking inside any of the units and common areas, nor within 25 feet of all entry ways and windows of the project buildings).

Further, prior to the date the project is placed in service, the Project Owner will: 1) provide space to the Smoke Free at Home team for twice yearly smoking cessation seminars for tenants of the Project, and 2) incorporate a smoke-free addendum into all tenant leases.

**MFA will not issue IRS Form(s) 8609 unless Project Owner meets all of the above requirements.**

[The certification for this statement occurs in the Omnibus Certification under Tab 1c. Please include this statement under Tab 30.]

**6 pts:**  
**New Construction Platinum or  
Acq/Rehab &/or Adaptive Reuse Gold**

**4 points:**  
**Silver**

# Scoring – Criterion No. 19 (2 points)

## Adaptive Reuse Projects

- Commercial space converted to residential rental Units
- In combined new construction and Adaptive Reuse Projects, space converted to Units must account for at least 20 percent of the Project's Gross Square Feet.
  - Schedule A & D for entire Project, for just conversion and for new construction
- Not eligible for Rehabilitation points





# Scoring Criterion No. 19 Adaptive Reuse Worksheet

## 2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION LIHTC Project Selection Criteria Adaptive Reuse Worksheet

### TBD Apartments

45,900	Sum of each building's gross square feet <sup>(1)</sup>
10,000	Building's gross square feet adapted <sup>(2)</sup>
22%	Percentage of building's gross square footage rehabilitated <sup>(3)</sup>

"Building's Gross Square Feet" means the sum of the gross square feet on each floor of a building.

"Gross Square Feet" means the area that includes all enclosed space as measured from the exterior face of the building walls.

<sup>(1)</sup> Must match total square feet on page 3 of the Universal Rental Development application form as well as the gross square feet listed on the site plan

<sup>(2)</sup> Must match gross square feet of space converted to multifamily residential rental Units listed on site plan

<sup>(3)</sup> Must equal at 20% or more to qualify as Adaptive Reuse Project.



# Scoring – Criterion No. 20 (3, 6, 9 points)

## Underserved Communities:

- Small Projects 35 Units or less
  - No rehabilitation
  - No adaptive reuse
  - Market study supports need
  
- Located in town, municipality, or Census Designated Place with a population under 16,000
  - 2020 Census
  - Market Study supports need
  
- No “Active” LIHTC Projects:
  - Reservation or 42(m) letter in 2020 or later



# Scoring Criterion No. 21 Underserved Communities

2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION			
LIHTC Project Selection Criteria			
Underserved Communities			
TBD Apartments			
Criterion	Requirement(s)	Criterion Met	Points
(ii)	The project involves newly constructed units totaling 35 units or less and does not contain any rehab or adaptive reuse <sup>1</sup> (3 points)	YES	3
(ii)	The project is to be located in a town, municipality, or CDP with a population less than 16,000 people <sup>2</sup> (3 points)	YES	3
(iii)	The project is to be located in a town or municipality with no "active" LIHTC projects <sup>3</sup> (3 points)	YES	3
Total Points Requested (maximum of 9 points)			9
<sup>[1]</sup> Market Study must support need for the project to receive points.			
<sup>[2]</sup> Applicant must provide 2020 Census data to support population, and Market Study must support need for the project in order to receive points.			
<sup>[3]</sup> Market Study must support need for the project to receive points. "Active" means no LIHTC awards made in the town or municipality during the past five calendar years (i.e., 2020 or later)			

- **Market Study must indicate a capture rate of 10% or below**
- **Insert 2020 Census Data for ii**



# Scoring – Criterion No. 21 (3, 6, 9 points)

## Other Scoring Points Available:

### Deep Affordability

- Show on Application Form & Schedule B
- Non-Special Needs Projects
  - 5% Total Units @30% AMI with
  - No federal rental assistance
- Special Needs Projects
  - Additional 5% of Total Units @ 30% AMI
  - May have federal rental assistance





# Scoring Criterion No. 21 (continued)

## 2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION LIHTC Project Selection Criteria Other Scoring Points Worksheet

### TBD Apartments

Criterion	Requirement(s)	Criterion Met	Points
(i)	The Project is not in the housing priority for Households with Special Housing Needs and targets extremely low income residents, which includes income and rent restricting at least 5% of total Units in the Project to residents earning 30% or less of Area Median Income, for which no federal assistance is existing or anticipated. OR: For Projects in the Special Housing Needs housing priority category, the Project restricts an additional 5% of the total Units in the Project to residents earning 30% or less of Area Median Income, which Units may have permanent rental subsidy support with a project-based federal rental assistance contract that ensures residents do not pay rent in excess of 30% of their adjusted income. (3 points)	YES	3
(ii)	The project's resident selection criteria contain a preference for active duty, Honorably Discharged or retired US military Veterans <sup>1</sup> (3 points)	YES	3
(iii)	Women and/or minorities are encouraged to participate in the ownership, development, or management of the Project. (3 points) The minority or female individual(s) must serve as either: a. The General Partner, manager or managing member of the Ownership Entity or Responsible Owner, must have at least a 50% ownership interest in the Ownership Entity or Responsible Owner OR b. Must have at least 50% ownership interest in the participating business to qualify for the points. These businesses include any members of the development team (i.e., contractor, management company, consultant(s), architect, attorney, and accountant, etc.) <sup>2</sup> OR c. Minority or female individuals must comprise at least 50% of the board of directors of the entity which qualifies the Project for points under Project Selection Criterion 1.	YES	3
Total Points Requested (maximum of 9 points)			9

<sup>[1]</sup> Applicant must provide a commitment letter stating preference.

<sup>[2]</sup> The name and address of the company and the anticipated contract amount or ownership percentage must be listed at the time of Application on the Women and Minority Owned Business Form to be eligible.

- (i) Applicable 30% AMI Units must be shown on Schedule B**
- (ii) Use Veterans form (following slide)**
- (iii) Use Women and Minority Owned Business Form**

# Scoring – Criterion No. 21 (3, 6, 9 points)

## Other Scoring Points Available:

- Veteran Preference
  - Active Duty
  - Honorably Discharged
  - Retired US military Veterans
  
- Women/Minority Participation:
  - 50% Ownership interest in
    - GP, Mgr, MM of Owner Entity
    - Member of Development Team
  - 50% of Nonprofit Board that qualifies for points under Scoring Criterion No. 1





# Scoring Criterion No. 21 – Veteran’s Preference

Other materials in Application must be consistent with this selection.  
This form required for threshold for 4% LIHTC Projects  
and for 9% LIHTC Points

**2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION**  
**LIHTC Project Selection Criteria**  
**Veteran Preference Form\***

Project Owner(s) Insert Owner Entity here and If applicable, Insert 2nd Owner entity here  
certify that TBD Apartments will include a preference for Veterans that have served in  
the armed forces of the United States.

Check the appropriate box:

**Yes**      Yes, the project’s resident selection criteria will contain a preference for active duty, Honorably Discharged, or retired US military Veterans.

     No, a veteran preference will not be offered. (Only applicable for 9% applications)

\*Required for 4% Threshold

[The certification for this statement occurs in the Omnibus Certification under Tab 1c. Please include this statement under Tab 32.]



# Other Scoring Points Available (continued)

## 2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION

### LIHTC Selection Criteria

#### Women and Minority Owned Business Form

Project Name: \_\_\_\_\_ TBD Apartments \_\_\_\_\_

Only need to meet one of three criteria: A, B or C

Women and/or minorities are encouraged to participate in the ownership, development, or management of the Project.		Criterion Met
The minority or female individual(s) must serve as either:		
A. The General Partner, manager or managing member of the Ownership Entity or Responsible Owner, must have at least a 50% ownership interest in the Ownership Entity or Responsible Owner, or	Role:	
	Name of Company:	
	Address of Company:	
	% Ownership Interest	
	Full Name of qualifying Person:	
	Signature of Qualifying Person:	

B. Must have at least 50% ownership interest in the participating business to qualify for the points. These businesses include any members of the development team (i.e. contractor, management company, consultant(s), architect, attorney, and accountant, etc.)	C. Minority or female individuals must comprise at least 50% of the board of directors of the entity which qualifies the Project for points under Project Selection Criterion 1.		Yes	
	List all members of the board of directors:	Name of Board Member		Select from Dropdown list: Minority or Female individual?
		Susie Smith		Yes
		Gerald Jones		No
		Ernesto Montoya		Yes
		Janet Martinez		Yes
		John Sliwak		No

C. Minority or female individuals must comprise at least 50% for points under Project Selection Criterion 1.

# 4% LIHTC Thresholds

- Meet applicable threshold requirements and serve targeted population in Scoring Criteria 8-10 **OR** meet the requirements for the Underserved Populations set-aside (see Section III.D)
- Platinum or Gold Smoke-Free at Home Certification
- 2024 Design Requirements (including HERS)
- Located within 15 minutes of facility with fresh produce
- Market study vacancy rate in PMA of less than 10%
- Market to local PHA
- Preference for veterans in tenant selection criteria

# Cost Certification

*Certification by a CPA is required to certify compliance with the 10% test as defined in Section IV.G.8.a. Prior to the issuance of a LIHTC certification (IRS Form 8609), MFA will require two Cost Certifications to be prepared, one by an independent CPA and executed by both the CPA and Project Owner, and a second Cost Certification prepared and executed by the general contractor. The Cost Certification prepared and executed by the general contractor should reflect real costs to the general contractor, but those cost may not be reflected in the CPA-prepared Cost Certification if the project entered into a Maximum Guaranteed Price or Stipulated Sum Contract for example. In those cases, the owner-incurred costs should be reflected in the CPA-prepared document, regardless of the general contractor costs. The general contractor Cost Certification may not meet MFA cost requirements if a Maximum Guaranteed Price or Stipulated Sum Contract was utilized.*



# Cost Certification (Form A)

- MFA audit may be required
- Fully substantiate all line item balances
  - invoices, settlement statements, cancelled checks, lien release waivers
- Details how balance of each line is tabulated available
- Consistency between supporting documents and Form A



# General Contractor's Cost Certification

- Not required for Stipulated Sum Contracts
- Not required for Maximum Guaranteed Price Contracts
- Actual costs incurred by the GC
- Fully completed
  - Vendor names
  - Relationship between parties
  - Invoices
  - Payroll Details
  - Cancelled Checks
  - Lien Release Waivers





# Mandatory Design Standards

## Housing New Mexico/MFA 2025 Mandatory Design Standards for Multifamily Housing Part A

The following Design Standards, including the Housing New Mexico/MFA 2025 Submission Instructions for Preliminary Architectural Documentation for Multifamily Housing Applications, contained herein as **Part B**, represent the minimum requirements for New Mexico Mortgage Finance Authority (Housing New Mexico/MFA) financed rental housing and are herewith incorporated by reference into Housing New Mexico/MFA's 2025 Qualified Allocation Plan (QAP). Capitalized terms are defined either herein or in the QAP.

Housing New Mexico/MFA values excellence in design because well designed housing meets the needs of tenants, attracts market tenants and promotes community acceptance of housing financed by Housing New Mexico/MFA. All Projects shall meet or exceed each of these standards, as well as the minimum requirements of all applicable building codes (hereinafter referred to as "Code"), regulations, and local zoning ordinances. In addition, Projects shall meet Americans with Disabilities Act (ADA) and Fair Housing Act (FHA) requirements as applicable. Depending on the funding sources and other partners' requirements, the Project may also be subject to Uniform Federal Accessibility Standards (UFAS) requirements. Projects receiving HOME and/or HOME-ARP funding must meet the property standards of 24 CFR 92.251. Projects receiving National Housing Trust Funds must meet the property standards of 24 CFR 93.301 (f) (1) and (2). Projects receiving Coronavirus State and Local Fiscal Recovery Funds pursuant to the Final Rule published May 17, 2021, as amended, must meet the property standards of HOME and/or National Housing Trust Fund, as applicable. The Project Owner shall not commence construction on a Project or request disbursements of Housing New Mexico/MFA gap financing prior to receipt of Housing New Mexico/MFA's written approval of complete construction documents. The development team is responsible to know and meet all accessibility requirements for their Project. Housing New Mexico/MFA will not be reviewing submissions with the intent to identify compliance with these various laws, codes, and ordinances governing the design of the projects. Should we find a discrepancy in a design that does not meet a law, code, or ordinance, we will, as a courtesy, inform the designer of our findings. Our review does not constitute nor represent the project's compliance with all applicable laws, codes, or ordinances; and development team members may not rely on Housing New Mexico/MFA or its agents for final determination. In light of the complexity of adherence to all various code requirements, some developers may find it beneficial to hire third-party consultants to provide additional review. Each Project Owner and architect will be required to certify at Application that the Project design meets these Design Standards, and at completion will be required to certify that the Project was built in compliance with these Design Standards. The Design Standards have been arranged into three sections: "New Construction," "Rehabilitation," and "Special Projects" and shall be used as applicable for each type of Project or each portion of a Project.

- **Conceptual Plans reviewed with Application**
- **Permit-Ready Plans reviewed before construction**
- **Must receive Housing New Mexico written approval before beginning construction and before receiving 8609s**



# Mandatory Design Standards

- Separate sections for new construction, rehab and special projects (i.e., single room occupancy and adaptive reuse).
- Sub-sections on general design, site design and development, building design and construction, unit design.
- Updated yearly and posted on Housing NM's website.
- Housing New Mexico:
  - Reviews and approves plans, and
  - Inspects the Project for compliance

# 2025 Qualified Allocation Plan Workshop

1

Tax Credit Timeline Overview

2

2024 Round Results

3

2025 QAP Review

4

2025 Application Process

5

Other Housing New Mexico Financing

6

Environmental Review Process

7

Tax Credit Compliance & Monitoring

# Award Process

- Applications due in January
- Each application is reviewed by multiple staff members from both the Asset Management and Housing Development departments for both completeness and scoring
- The Tax Credit Program Manager and Analyst review each application for financial feasibility and threshold requirements (site control, zoning, fees paid, compliance etc.)





# Award Process (continued)

- The Policy Committee reviews staff work and following their approval deficiency corrections and supplemental information requests are sent out
- Staff make site visits to all top scoring projects
- Process and proposed awards are presented to the Allocation Review Committee (ARC)
- Preliminary Award letters are sent out (March)
- ARC presents recommendations to the Board for approval (May)
- Final Reservation Award letters are issued



# Subsequent Requirements

- Project must place-in-service or receive a carryover award by the end of the allocation year
- Requirements for carryover include:
  - Full financing commitments
  - Full zoning (if land had no zoning/agricultural at application)
- 10% Test – MFA deadline August 31st the following year
  - Project must prove that they have spent 10% of eligible basis costs
- Two years following carryover
  - Project must place-in-service
  - LURA issued, memorializing the requirements agreed upon in the application.
- IRS Form 8609 allows Project Owner entity to claim tax credits.







## Housing New Mexico/MFA 2025 Universal Multifamily Initial Underwriting Supplement

This underwriting supplement outlines the standards that Housing New Mexico/MFA will use when underwriting Initial Applications submitted for consideration for 2025 LIHTC and gap funding allocations. Housing New Mexico/MFA underwrites Initial Applications for two purposes: 1) to determine the amount of credits that may be allocated to each proposed Project and 2) to determine the financial feasibility of each proposed Project. Housing New Mexico/MFA will use the most conservative of the financing terms listed in this underwriting supplement, the 2025 QAP (if applicable) and the proposed Project's Financing Commitment(s) or letters of interest.

### General Guidelines

#### Awards

Housing New Mexico/MFA will not award additional funding to any active new construction and/or acquisition rehabilitation projects after they have been placed in service, which is defined as receiving a Certificate of Occupancy for new construction or a Certificate of Substantial Completion for acquisition rehabilitation.

### Construction Guidelines

#### Builder profit, overhead and general requirements

In Projects where an "identity of interest" (as defined in this section) is not present, builder profit may not exceed 6 percent of construction costs, builder overhead may not exceed 2 percent of construction costs and general requirements may not exceed 6 percent of construction costs. For purposes of these calculations, see definition of construction costs in the Glossary.

Where an identity of interest exists between or among the Developer/Project Owner, builder (i.e., the general contractor), design professionals and/or subcontractors, builder profit shall not exceed 4 percent of construction costs. An identity of interest means any relationship that is based on shared family or financial ties between or among the Developer/Project Owner, builder (general contractor), design professionals and/or subcontractors that would suggest that one entity may have control over or a financial interest in another.

#### Architect and Engineering Fees

The architects' fees, including design and supervision fees, and engineering fees, must be capped at 3.3 percent of Total Development Cost. Architects' fee and engineering fees shall be deducted from Total Development Cost when calculating this fee cap.

- All Applications must meet Underwriting Supplement Standards
- Specifics for gap financing included
- Financial Feasibility can't be corrected with a Deficiency Correction – read this document carefully alongside the QAP



# Application Review

## Universal Rental Development Application

New Mexico Mortgage Finance Authority  
 344 Fourth Street SW  
 Albuquerque, NM 87102  
 505-843-6880



Date of Application:

For Housing NM / MFA Use  
 Project Number:

### SECTION I: Application Type

Application for Tax Credit Projects: State & Federal Credit:	
Amt of Annual Federal Credit Requested: \$	1,700,000
Amount of State Credit Requested: \$	500,000
Federal Tax Credit Set-Aside:	Nonprofit
Federal Tax Credit Application Type:	Initial Application
Development Activity Type:	New Construction
Federal Tax Credit Activity Type:	New Construction without Tax Exempt Bonds
If using Tax Exempt Bonds, will Housing NM/MFA be the Issuer?	<input type="text"/>

If Applicant is applying for MFA loans, please check all appropriate boxes below and include on Schedule A-1:

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> HOME | <input checked="" type="checkbox"/> National Housing Trust Fund (NHTF)    |
| <input type="checkbox"/> Primero         | <input checked="" type="checkbox"/> New Mexico Housing Trust Fund (NMHTF) |
| <input type="checkbox"/> Risk Share      | <input type="checkbox"/> Preservation Revolving Loan Fund (USDA PRLF)     |
| <input type="checkbox"/> Ventana Fund*   | <input type="checkbox"/> NM Preservation Loan Fund (NMPLF)**              |

Checking any of the above boxes indicates this Universal Rental Development Application will also serve as an initial application for the loan(s) indicated, and all items listed in the applicable subsection of the Attachments Checklist must be submitted as part of this application. Loan application fees are not required to be submitted with 9% applications but will be payable should the project receive a preliminary Tax Credit Reservation Letter. Upon issuance of the preliminary Tax Credit Reservation Letter, MFA staff will contact the Applicant if additional loan materials are required.

\*Application will be forwarded to Ventana Fund for review

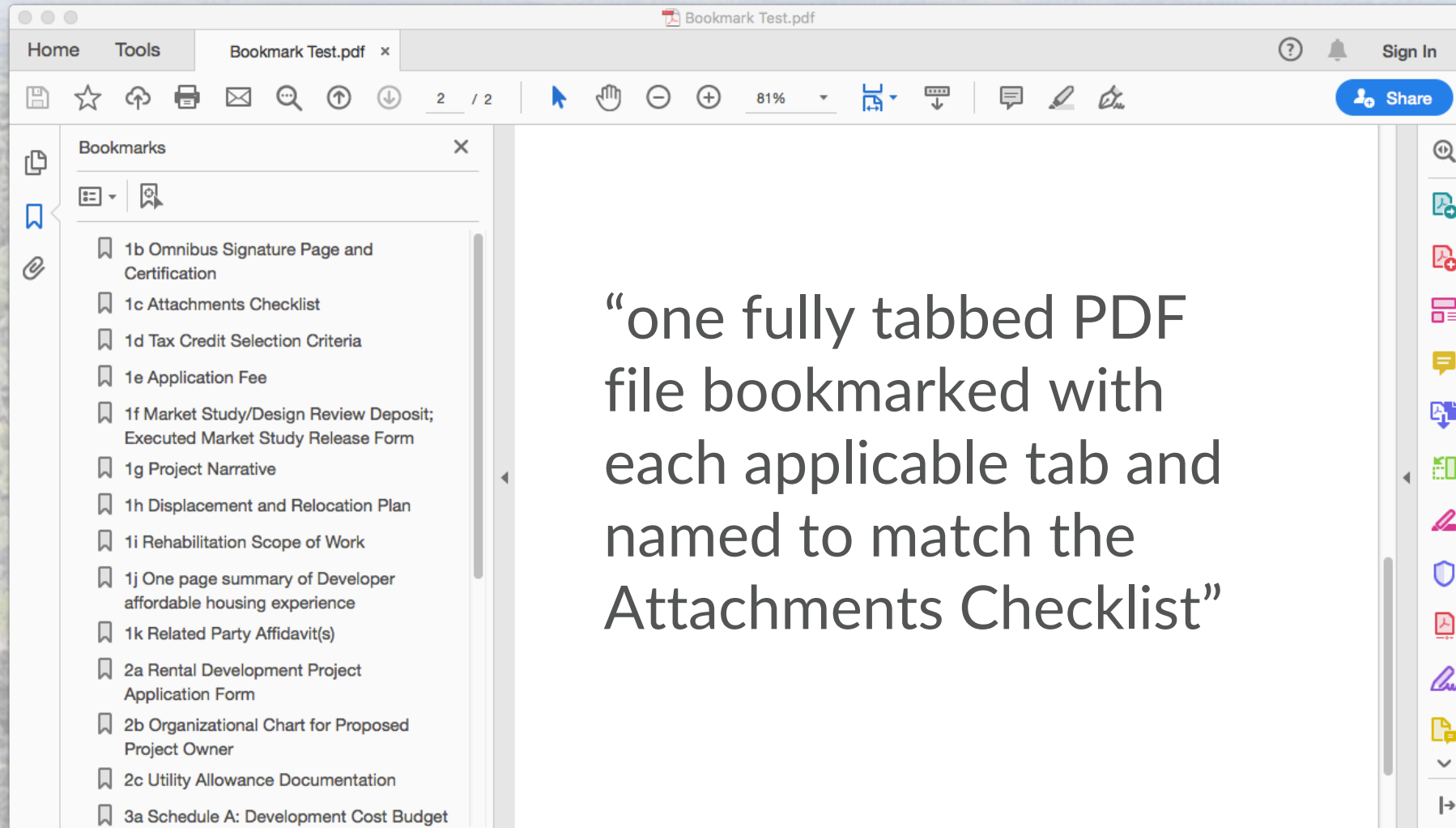
\*\* With the exception of the Housing Authority Initiative and Bridge Initiative, LIHTC resyndications are not eligible.

## Universal Rental Development Application

- LIHTC
- HOME
- NHTF
- NMHTF
- Risk Share
- NM State Tax Credits
- Primero
- Ventana Fund\*

\*Ventana Fund - not Housing New Mexico/MFA funds

# Application Form of Submission



The screenshot shows a PDF viewer window titled "Bookmark Test.pdf". The left sidebar displays a list of bookmarks:

- 1b Omnibus Signature Page and Certification
- 1c Attachments Checklist
- 1d Tax Credit Selection Criteria
- 1e Application Fee
- 1f Market Study/Design Review Deposit; Executed Market Study Release Form
- 1g Project Narrative
- 1h Displacement and Relocation Plan
- 1i Rehabilitation Scope of Work
- 1j One page summary of Developer affordable housing experience
- 1k Related Party Affidavit(s)
- 2a Rental Development Project Application Form
- 2b Organizational Chart for Proposed Project Owner
- 2c Utility Allowance Documentation
- 3a Schedule A: Development Cost Budget

The main content area of the PDF viewer contains the following text:

“one fully tabbed PDF file bookmarked with each applicable tab and named to match the Attachments Checklist”



# Application Form of Submission

The following documents are to be uploaded as separate files:

- Market Study
- Appraisal
- Capital Needs Assessment
- Architectural Plans and Specifications

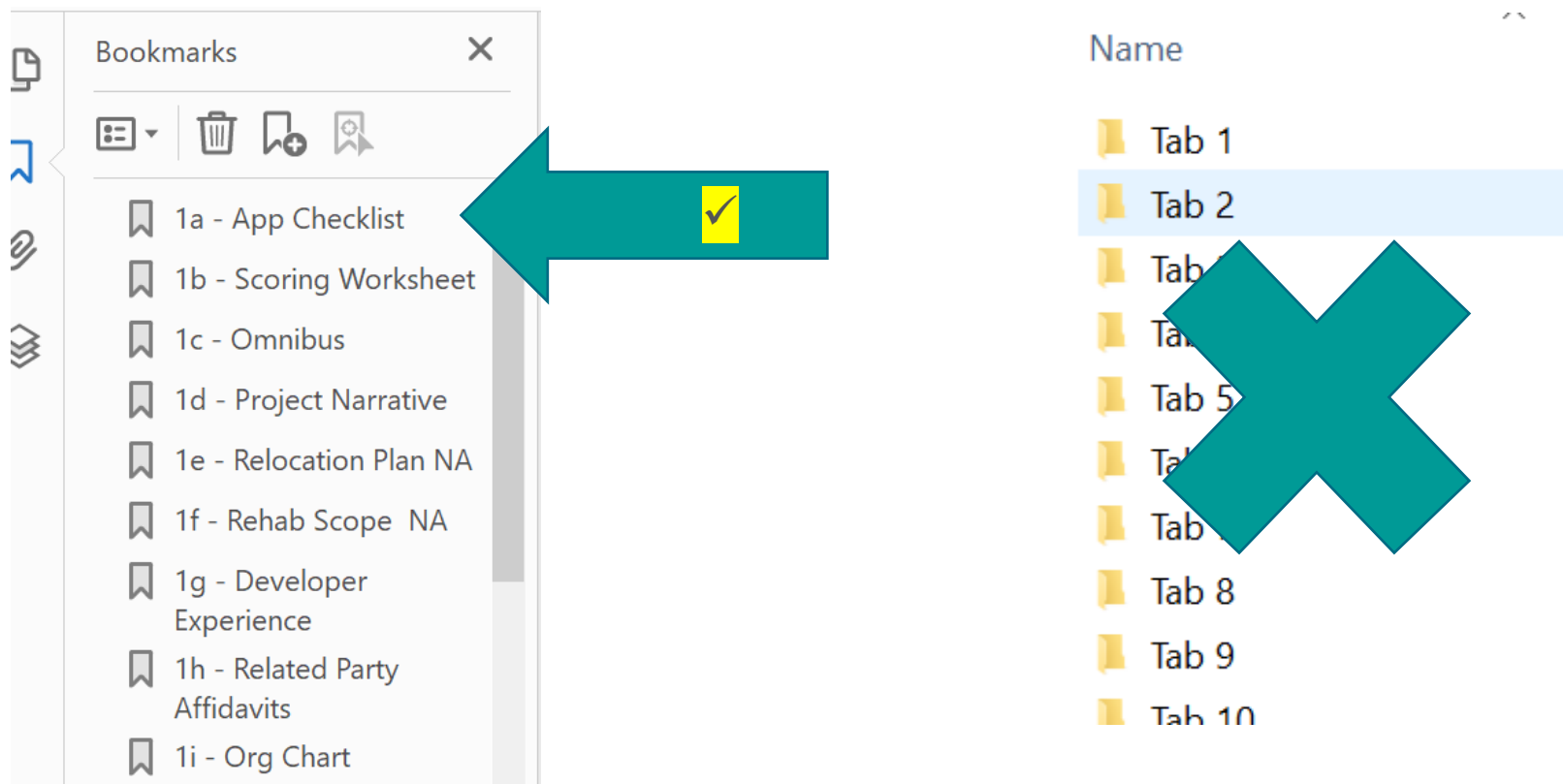
Upload all to Secure File Transfer:

- [https://mfa.internal.housingnm.org/SFT\\_HD/](https://mfa.internal.housingnm.org/SFT_HD/)





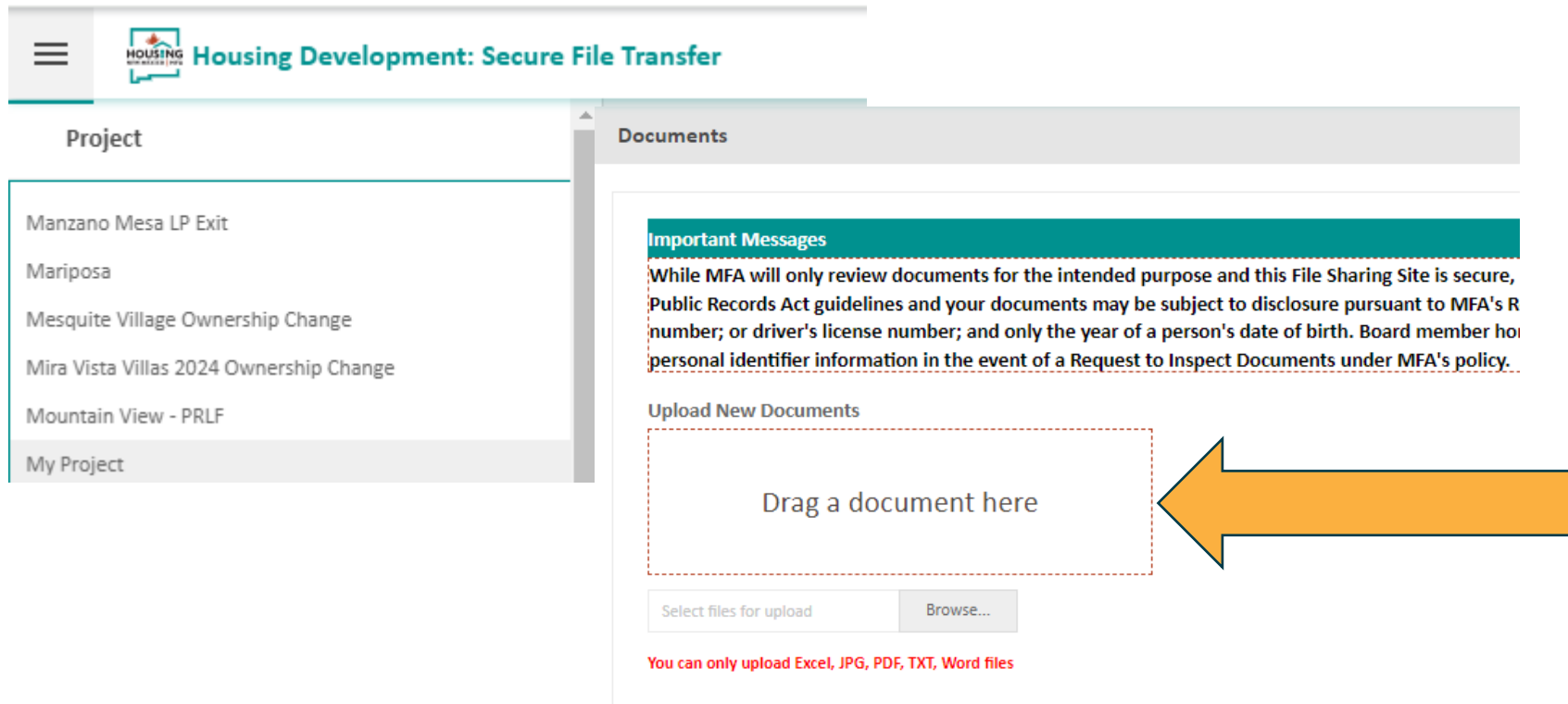
# Common Errors on Applications!



Make sure that you have the Excel File, the Market Study, Architectural plans, CNA and the PDF uploaded before the deadline on January 22 at 12PM

# Low-Income Housing Tax Credits

- Register for account – your project assigned to your account
- [https://mfa.internal.housingnm.org/SFT\\_HD/](https://mfa.internal.housingnm.org/SFT_HD/)



**Project**

- Manzano Mesa LP Exit
- Mariposa
- Mesquite Village Ownership Change
- Mira Vista Villas 2024 Ownership Change
- Mountain View - PRLF
- My Project

**Documents**

**Important Messages**

While MFA will only review documents for the intended purpose and this File Sharing Site is secure, Public Records Act guidelines and your documents may be subject to disclosure pursuant to MFA's R number; or driver's license number; and only the year of a person's date of birth. Board member ho personal identifier information in the event of a Request to Inspect Documents under MFA's policy.

**Upload New Documents**

Drag a document here

Select files for upload

You can only upload Excel, JPG, PDF, TXT, Word files

# Application Checklist

## 2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION

### Attachments Checklist TBD Apartments

*Note that this Attachments Checklist is not an exhaustive list of all items to be included in a submission. Please see the most recent QAP for additional items that may be required for any LIHTC allocation request.*

#### I. Required Items for all Applicants

Tab #	Document or Schedule Required (Tab #s in blue have provided application materials)	Check if Present	For MFA Use
Required for Application	<b>Application Fee</b> (\$750 Non Profit; \$1,500 For Profit) Any MFA Loan Product (\$250 each, \$1,000 for Risk Share Program) MFA Loan Product fee is required at application unless the Applicant is also competing in the 3% LIHTC round, in which case MFA Loan fees are required following an award.	X	
Required for Application	Design Review Deposit (\$12,000)	X	
Required for Application	Provide evidence that a representative such as a board member, officer, director or staff member has attended the MFA QAP training held on October 26, 2024	X	
1a	Universal Rental Development Application Attachments Checklist	X	
1b	LIHTC Project Selection Criteria Scoring Worksheet <i>(if requesting a LIHTC allocation)</i>	X	
1c	Omnibus Signature Page and Certification	X	
1d	Project Narrative	X	
1e	Displacement and Relocation Plan <i>(if applicable)</i>	N/A	
1f	Rehabilitation Scope of Work <i>(if applicable)</i>	N/A	
1g	One-page summary of Developer affordable housing experience	X	
1h	Related Party Affidavits	X	
1i	Organizational Chart(s) for Proposed Project Owner <b>and any other related party interests among the Development Team</b>	X	
1j	Applicant's Certification (for review, signature covered in Omnibus)	X	
1k	Return of Tax Credit Reservation or Allocation (for review, signature covered in Omnibus) <i>(if requesting a 3% LIHTC allocation)</i>	X	
1l	Compliance Affidavit for each Principal <b>WITH SCHEDULE OF EXPERIENCE (see footnote to QAP Section IV.C.8)</b> - examples to attach to compliance affidavit: HUD Form 2530, MFA Schedule H from previous applications, real estate owned schedule provided to lender	X	
1l Samples	<b>Schedule of Experience Samples - These are examples of acceptable forms to attach to compliance affidavit at Tab 1l</b>		
2	Universal Rental Development Application Form	X	
3a	Schedule A: Development Cost Budget - See Part II Worksheets	X	
3b	Schedule A-1: Sources of Funds - See Part II Worksheets	X	
4a	Schedule B: Unit Type and Rent Summary - See Part II Worksheets	X	
4b	Copy of Federal Rental Assistance Contract <i>(if applicable)</i> ; Copy of Federally Approved Rent Schedule indicating Approved Rents and Utility Allowances, and Letter from USDA <i>(if applicable)</i>	N/A	



# Financial Feasibility

- Credit cannot exceed amount MFA determines is necessary for financial feasibility and long-term viability as low-income housing.
- MFA must consider:
  - All sources and uses of funds;
  - Equity from Credits; and
  - Reasonableness of development and operating costs.
- Evaluation occurs three times (application, carryover allocation, completion/8609's).
- Underwriting supplement updated and posted- there are limits on developer and builder fees, operating expense projections, reserve requirements



# Threshold Items for Application

- Site control
  - legally enforceable purchase contract or purchase option, or
  - written governmental commitment to transfer or convey the property to applicant by deed or lease (“transfer commitment”), or
  - Recorded deed or recorded lease
- Zoning
- Fees
- Market Study
- Applicant eligibility
- Financial Feasibility
- Pre-Application Requirements (Intent/QAP Training)





# Omnibus Signature Page and Certification

**Omnibus Signature Page and Certification**

**2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION1**

**OMNIBUS SIGNATURE PAGE AND CERTIFICATION**

**TBD Apartments**

("Applicant" as that term is further defined below) is submitting an application to the New Mexico Mortgage Finance Authority ("MFA") for the Low Income Housing Tax Credit ("LIHTC") program pursuant to the State of New Mexico Housing Tax Credit Program Qualified Allocation Plan Effective as of December 1, 2024 (the "QAP") and/or for MFA funded loans<sup>1</sup> (collectively referred to as the "Application" or "Applications"). In conjunction with this Application(s), Applicant herewith certifies that:

- Applicant understands and agrees that it is executing this 2025 Universal Rental Development Application Omnibus Signature Page & Application Certification (the "Certification") as part of its Application, that MFA is entitled to rely on Applicant's representations and certifications contained herein in conjunction with the Application, and that any misrepresentation by Applicant contained in this Certification or in any part of the Application(s) may be cause for MFA, in MFA's sole discretion, to reject the Application(s), to revoke or rescind any reservation or award of tax credits to Applicant that may have been made pursuant to the QAP (if submitting an application for a LIHTC allocation), and to revoke or rescind any award of MFA loans that may have been made in connection with an Application(s).
- Applicant understands and agrees that the signature(s) below of its authorized representative(s) constitute an "omnibus" signature that is applicable to every document, certification, and assurance that must be executed or submitted in connection with its Application, including, without limitation, all Schedules required to be executed by Applicant and any other documents otherwise requiring a signature or other acknowledgement by Applicant. By signing this Certification, Applicant hereby acknowledges that it has read the QAP (if submitting an application for a LIHTC allocation) and all forms required to be submitted with its Application and hereby certifies that its signature(s) on this Certification shall apply with equal force to each and every document, certification, schedule, or other assurance that is or must be made by Applicant in conjunction with its Application.
- Applicant will abide by all applicable Federal and State of New Mexico laws and all applicable statutory, regulatory, and judicially created rules and guidelines.
- All information contained in Applicant's Application submitted of even date herewith is accurate and complete and correct.
- Applicant has fully completed and is submitting with its Application MFA's Universal Rental Development Application. Applicant certifies that: (a) no mortgage on a project listed on such certificate has ever been government or foreclosed, nor has any mortgage relief been given; (b) there has not been a suspension or termination of a contract in which the Applicant has had a legal or beneficial interest; (c) it has not been suspended, debarred or otherwise excluded from doing business with the federal government or any state government from doing business with such department or agency because of misconduct or non-tax judgment lien; and (d) it has not defaulted on any obligation covered by a surety or performance bond.
- Applicant has read and understands the "Communications and Quiet Period" and "Prohibited Activities" sections of the QAP and herewith agrees to abide by these provisions, if making an application for a LIHTC allocation.
- Applicant hereby certifies and affirms, as a condition to Applicant's Application, that Applicant has not directly or indirectly taken any action in restraint of free competitive bidding in connection with its Application. "Free competitive bidding" as defined in Section IV.D.2.a of the QAP, between or among the Developer, builder/general contractor, design professional, or other party disclosed in writing to MFA and attached to this Applicant Certification.
- No political contribution or gift valued in excess of \$250.00 (singularly or in the aggregate) has been made by Applicant or any of its officers or employees, or who is currently serving, or who has served, on the MFA Board of Directors in the past three years.
- Applicant has no current or proposed business transaction with MFA or any of its officers or employees, or, if Applicant is an Equal Opportunity Employer, any of its officers or employees, that would constitute a conflict of interest, nor is Applicant aware of any such transaction that would constitute a conflict of interest. Further, Applicant certifies that it has no interest, direct or indirect, that would conflict with its proposed business transaction with MFA.
- There is no pending or threatened litigation that would impair the Applicant's ability to perform its obligations if awarded a LIHTC allocation.
- Applicant is an Equal Opportunity Employer and complies fully with all government regulations regarding nondiscrimination. Applicant understands that MFA will monitor its performance under and compliance with terms contained in any loan agreement(s) (including the QAP for all applicants requesting a LIHTC allocation). Applicant further understands that MFA will be binding in all respects.
- Applicant will comply with all applicable Federal statutory and regulatory requirements including, without limitation: Title VII of the Civil Rights Act of 1964, the Equal Credit Opportunity Act, the Age Discrimination Act of 1975, Executive Order 12898, Title I of the Rehabilitation Act of 1973.

- Must be signed by principal of each entity that is part of Owner entity
- Not syndicator
- Blue ink and scan
- Must be notarized

On behalf of \_\_\_\_\_ ("Applicant"), the person(s) below so certify:

By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

[ACKNOWLEDGMENT(S) APPEAR ON THE FOLLOWING PAGE]

2024 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION  
OMNIBUS SIGNATURE PAGE AND CERTIFICATION

ACKNOWLEDGMENT:

STATE OF \_\_\_\_\_ )  
 COUNTY OF \_\_\_\_\_ )

The foregoing instrument was duly acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_ as \_\_\_\_\_ of \_\_\_\_\_.

Notary Public: \_\_\_\_\_



# Project Narrative

## 2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION

### Narrative Description of Project

Project Name:

Project Address:

The Project Narrative provides an opportunity for the Applicant to describe the characteristics of the project, including its strengths and weaknesses, and is required to be submitted in conformance with the below. This Narrative shall include a description of the project as proposed; why the Applicant believes it should be selected for an award of tax credits and the need for the project within the community; population being served; bedroom mix; location; amenities (both in and around the project); unique features; services (if provided); description of energy efficiencies and effective use of resources; type of financing (local, state and federal subsidies, etc.). This document shall not exceed five (5) pages with 0.8 margins and minimum font size of 11 points. A failure to provide any of the information required will result in a determination, in MFA's sole discretion, that an Application is incomplete.

In addition, this Narrative shall address the following:

1. Describe how the project meets the following criteria:
  - a. Market conditions;
  - b. Readiness-to-proceed;
  - c. Overall financial feasibility and viability (including syndicator interest and tax credit equity pricing);
  - d. Experience and track record of development and management team, including, but not limited to, their ability to bring a tax credit project in on time and on budget;
  - e. Cost reasonableness and cost containment measures undertaken, including, but not limited to, whether Applicant relied upon any third party cost estimates, e.g. Swift Marshall, Enterprise, etc.;
  - f. Proximity to existing tax credit developments; and
  - g. Site suitability (including, but not limited to, remediation issues, elevation/grade issues).
  
1. State whether Applicant has obtained a Phase I, II and/or Phase I II Environmental Site Assessment(s). Describe any issues either raised or otherwise known in any Environmental Site Assessment and describe how these issues will or have been mitigated.

You may provide additional documentation that supports this Narrative by attaching it to the Narrative. Each supporting document should include a brief description of what is contained in the document and the purpose for which it is being

- Include all information requested
- Place on letterhead and scan



# Displacement/Relocation Plan

## 2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION

### Displacement / Relocation Plan

Project Name:

Project Address:

This Displacement/Relocation Plan provides an opportunity for the Applicant to describe the *preliminary* displacement/relocation plan for the project. (A full relocation plan will be due with the Carryover Application submittal.) You may provide additional documentation that supports this preliminary displacement/relocation plan by attaching it. Each supporting document should include a brief description of what is contained in the document and the purpose for which it is being submitted. This preliminary displacement/relocation plan shall address the following in detail:

1. Any potential permanent, temporary or economic displacement/relocation issues or concerns;
2. Any planning or preparation that has already occurred concerning displacement/relocation, e.g. vacant units not filled, etc.
3. If applicable, the number of current residents to be relocated; that is, required to completely move out of their current unit and length of time of relocation.
4. If applicable, the number of current residents to be displaced; that is, required to vacate their unit during certain daylight hours (not a complete move-out) and length of time of displacement.
5. Whether displacement/relocation will occur in phases and if so, the number of units per phase and estimated time of displacement/relocation (both per phase and over the entire rehabilitation).
6. If a complete move-out, where residents can be relocated during the rehabilitation, including the adequacy, sufficiency and location of other rental units;
7. How displacement/relocation can be minimized and how displacement/relocation expenses will be paid if incurred; and
8. Good faith estimate of displacement/relocation costs and how these amounts were determined.

The preliminary relocation/displacement plan should not be more than three pages. However, Applicants who wish to submit a full relocation plan with the initial Application may do so. More information and a sample template for a full relocation plan may be found on MFA's website at the following URL:

<https://housingnm.org/developers/federal-regulations/uniform-relocation-act>

- Include all information requested
- Place on letterhead and scan
- 9% Applications –
  - Preliminary Plan Required with Initial Application
  - Final Plan Required with Carryover Application
- 4% Applications –
  - Final Plan Required with Initial Application



# Related Party Affidavit

## 2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION

### Related Party Affidavit TBD Apartments

The undersigned certifies there is no "Identity of Interest" (an "Identity of Interest" means any relationship that is based on shared family, shared employee(s) or financial ties) between or among the Developer, Project Owner, General Partner, consultant(s), builder (general contractor and identified subcontractors), property management agent, architect, attorney and/or accountant that would suggest that one entity may have control over or a financial interest in another. An "Identity of Interest" will be presumed if any of the following factors are present as between or among the above-listed entities: common or shared ownership of any of the above-listed entities; common family members as owners or investors in any of the above-listed entities; common control of the above-listed entities even if the control is not exercised by a common owner or common investor, unless disclosed in writing to MFA and attached to this Related Party Affidavit.

Initial One:

\_\_\_\_\_ No related party relationships exist between or among the Developer and the Project Owner, General Partner, consultant(s), builder, property management agent, architect, attorney and/or accountant;

OR:

\_\_\_\_\_ Attached hereto is a list of all related party relationships, including the nature of the relations, between and among the Developer and the Project Owner, General Partner, consultant(s), builder, property management agent, architect, attorney and/or accountant;

\_\_\_\_\_  
Name

\_\_\_\_\_  
Developer - Company Name

- The following members of the development team (see bottom of page 21 of QAP for list) are required to complete the applicable form:
  - Developer
  - Project Owner(if formed)
  - General Contractor
  - Consultant(s)
  - Architect
- Show Related Parties with Visual Diagram, if applicable



# Return of Tax Credit Reservation or Allocation

## 2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION

### Return of Tax Credit Reservation or Allocation

Project Name: TBD Apartments

#### Applicant's Agreement to Return Tax Credits to MFA

I(We) hereby return the reservation and/or Carryover Allocation of Low Income Housing Tax Credits awarded to the above-cited project by MFA, on the date that I fail to meet any one or more of the "Subsequent Project Requirements" set forth in Section IV.G of the *State of New Mexico Low Income Housing Tax Credit Program Qualified Allocation Plan Effective as of December 1, 2024* ("QAP") or fail to deliver the project as described in the Application. I(We) further represent that as of the date on which I fail to meet any such requirements, these Tax Credits are to be considered voluntarily returned to MFA without further action on my part, and I(We) will not thereafter make any attempt to utilize any Tax Credits for this project. This certification, however, is null and void as of the date on which MFA determines, in its sole discretion, that I(We) have met all requirements.

[The certification for this statement occurs in the Omnibus Certification under Tab 1c. Please include this statement under Tab 1k.]

- Required of all 9% LIHTC Applications
- Insert at Tab 1k



# Compliance Certification

## 2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION

### Compliance Certification

#### TBD Apartments

The undersigned, a "Principal" ["Principal" is defined as an Applicant, any General Partner of an Applicant, and any officer, director, board member or any shareholder, managing member or affiliate of an Applicant. It also includes any entity receiving any part of a developer fee for a Project. For Project compliance purposes, "Principal" would include shareholders with interests of 25% percent or more, all officers of a corporation (including employees but excluding volunteer board members with no financial interest), all General Partners or members], hereby swears and affirms as follows:

The attached schedule of experience is a complete and accurate list of all federally subsidized or Low Income Housing Tax Credit or other federally financed multifamily housing projects in the United States ("Project" or "Projects") in which Principal and/or its related entities and Affiliates (listed below) has a direct or indirect financial interest. An indirect financial interest includes receiving any part of a developer fee for a Project. (See QAP Footnote 6 at Section IV.C.8 for more information.)

List all Principals, related entities, Affiliates, officers, and all shareholders with greater than 25% interest covered by this certification below:

Name of Party	Role/Title

Name of Party	Role/Title

- Form simplified this year
- Insert at Tab 11
- Insert Schedule of Experience behind Compliance Affidavit
- If one of the Principals, related entities, Affiliates, officers, or shareholders have a different schedule of experience, they must fill out a separate compliance certification and insert their schedule of experience behind it

# Compliance Certification

## 2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION

### Compliance Certification

#### TBD Apartments

The undersigned, a "Principal" ["Principal" is defined as any officer, director, board member or any shareholder, or any entity receiving any part of a developer fee for any project, including shareholdings with interests of 25% percent or more, excluding volunteer board members with no financial interest in the project] affirms as follows:

The attached schedule of experience is a complete schedule of experience for all Housing Tax Credit or other federally financed multifamily projects ("Projects") in which Principal and/or its related entities have a financial interest. An indirect financial interest includes receiving any benefit under Footnote 6 at Section IV.C.8 for more information.)

List all Principals, related entities, Affiliates, officers, and all subsidiaries on this certification below:

Name of Party	Role/Title

No person or entity listed above, or any Project listed on the attached complete schedule of experience of Principal and its related entities and affiliates is in default with respect to any material compliance matter with respect to any Project.

OR:

Attached hereto is a list of all material compliance defaults with respect to any person or entity listed above or any Project, together with an explanation of corrective action being taken to resolve such defaults or findings.

**Schedule of Experience must be attached to this certification.**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Company

ACKNOWLEDGMENT:

STATE OF \_\_\_\_\_ )

COUNTY OF \_\_\_\_\_ )

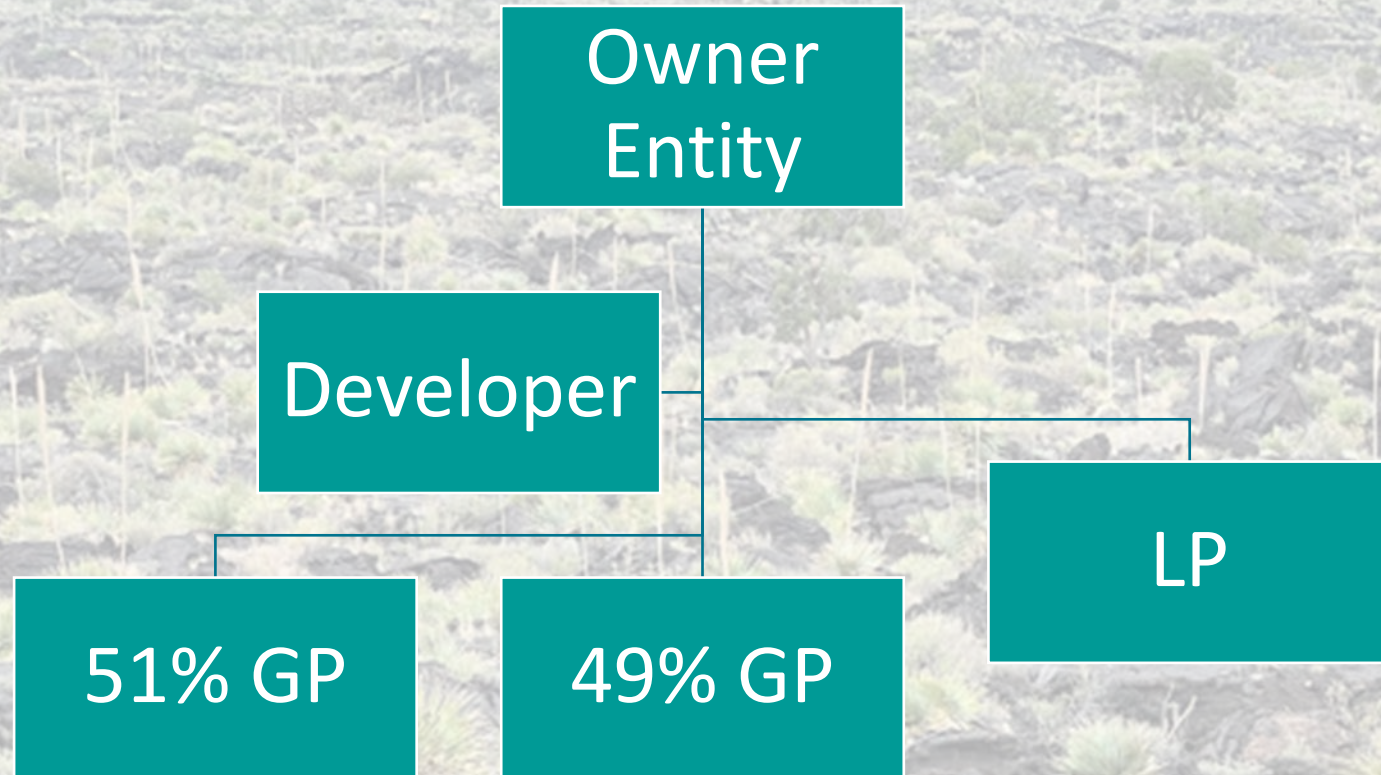
The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ by \_\_\_\_\_ as \_\_\_\_\_ of \_\_\_\_\_ as \_\_\_\_\_ of \_\_\_\_\_ a \_\_\_\_\_.

Notary Public: \_\_\_\_\_

- Attach ONE of the following sample forms to the Compliance Affidavit at Tab 11:
- 1I-ex MFA Schedule H from 2023
  - 1I-ex2 MFA Schedule H from 2022
  - 1I-ex3 HUD Form 2530 - required for HUD 542(c) Risk Share loans
  - 1I-ex4 Sample Real Estate Owned Schedule - may also use one from your bank



# Organization Chart



- Insert behind Related Party Affidavits at tab 1i
- Proposed Owner Entity and
- Any other related party interests among Development Team



**SECTION III: Description of Project (Continued)**

**Income, Rent and Occupancy Restrictions:**  
 The minimum Federal set-aside (for Federal Tax Credit or Risk-Sharing projects only) is:  
40% of Units at 60% of Area Median Income

Note that only Low income units as determined by the Project's Set Aside Election are eligible for Tax Credits. For example, if the 20/50 Election is chosen, only Units that are rent restricted and set aside for tenants whose income does not exceed 50% of Area Gross Median Income are qualified as Low Income Units. See QAP §II.E.

**List overall RENT & INCOME restrictions (including Units to be requested as Employee Units after PIS)**

# Units	Designated Rent & Income Limit at:	%	of the area median income
	Designated Rent & Income Limit at:	20	of the area median income
5	Designated Rent & Income Limit at:	30	of the area median income
10	Designated Rent & Income Limit at:	40	of the area median income
20	Designated Rent & Income Limit at:	50	of the area median income
10	Designated Rent & Income Limit at:	60	of the area median income
	Designated Rent & Income Limit at:	70	of the area median income
	Designated Rent & Income Limit at:	80	of the area median income
	Market rate units (If employee unit here, Applicable fraction will be reduced. Include them above.)		
45	<b>Total Rental Units</b>		

77.78%	Low Income Units at 50% AGMI or below	Average Income
--------	---------------------------------------	----------------

**Target Population Information:**

% of Units	Population Type	# of Units
25	Households with Children	12

On-site Supportive Services provided? Yes      Supportive Services free to residents? Yes

Number of handicap accessible units: 3

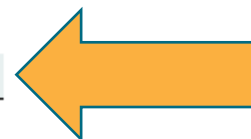
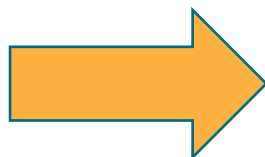
- Select federal set-aside
- Employee Units are not Market Rate Units
- LI Units at 50% AMGI affects Scoring Criterion 5 Income Levels of Tenants
- Target Population only needs to be amount required, but can be greater – it will be in LURA
- To get points, services must be free and on-site
- Accessible Unit must be at least federal minimum (5%)

# Common Errors on Applications!

## Application Form

List overall RENT & INCOME restrictions (including Units to be requested as Employee Units after PIS)

# Units	Designated Rent & Income Limit at:	%	of the area median income
	Designated Rent & Income Limit at:	20	of the area median income
5	Designated Rent & Income Limit at:	30	of the area median income
10	Designated Rent & Income Limit at:	40	of the area median income
20	Designated Rent & Income Limit at:	50	of the area median income
10	Designated Rent & Income Limit at:	60	of the area median income
	Designated Rent & Income Limit at:	70	of the area median income
	Designated Rent & Income Limit at:	80	of the area median income
	Market rate units (If employee unit here, Applicable fraction will be reduced. Include them above.)		
45	<b>Total Rental Units</b>		
77.78%		Average Income	
<b>Low Income Units at 50% AGMI or below</b>			
<b>Target Population Information:</b>			
<b>% of Units</b>	<b>Population Type</b>	<b># of Units</b>	
100%	Households with Children	45	
On-site Supportive Services provided?	Yes	Supportive Services free to residents?	Yes
Number of handicap accessible units:	1	3 handicapped accessible units	





## Application Form

### Target Population Information:

**% of Units**

80%

**Population Type**

Seniors

**# of Units**

36

Must be aged 55+

### Target Population Information:

**% of Units**

100%

**Population Type**

Seniors

**# of Units**

45

Must be aged 62+

### Target Population Information:

**% of Units**

25%

**Population Type**

Special Needs

**# of Units**

12

# Site Information

## Site Information

Site control is in the form of:  Deed  Option  Lease  Purchase Contract  
 Other \_\_\_\_\_ Term (yrs) \_\_\_\_\_

Expiration date of contract, option or lease \_\_\_\_\_ (month/year)

Name of Seller or Lessor: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_

Telephone: \_\_\_\_\_ Zip code: \_\_\_\_\_

Is there an identity of interest between Buyer and Seller?

If yes, explain: \_\_\_\_\_

Area of site: Acres \_\_\_\_\_ OR Square Feet \_\_\_\_\_

Is site zoned for your development? \_\_\_\_\_ Zoning \_\_\_\_\_

If no, is site currently in the process of re-zoning? \_\_\_\_\_ Re-zoning \_\_\_\_\_

When is the zoning issue to be resolved? \_\_\_\_\_ (month/year)

Has locality approved site plan? \_\_\_\_\_

Has locality issued building permit? \_\_\_\_\_

Are all utilities presently available to the site? \_\_\_\_\_

If no, which utilities need to be brought to the site? \_\_\_\_\_

Who has responsibility of bringing utilities to site? \_\_\_\_\_



# Buildings and Units

Buildings and Units								
Enter Units and Buildings	# of Bldgs	New Construction Low income	Rehab Construction Low income	Market Units	Total Units	Common Area	Commercial Space	Total
Buildings containing rental units	3	45		0	45			45
Enter Square Feet								
Gross square feet in buildings w/rental - <b>New Construction</b>		45000			45000	2000	0	47000
Gross square feet in buildings w/rental - <b>Rehab/Adaptive</b>		0	0	0	0	0	0	0
Buildings without <b>Rental Units</b>	1							1
Gross square feet in buildings w/o rental						2500	0	2500
	Total Units	45	0	0				45
	Total Sq. Ft.	45000	0	0		4500	0	49500
Total number of elevators		0		Total number of floors		2		



# Amenities and Utility Allowance

Appliances and Amenities Provided Without Additional Charge:							
Amenity/Appliance		Low-income Units					
Refrigerator		Yes					
Gas range		Yes					
Electric range		No					
Dishwasher		Yes					
Disposal		Yes					
Washer/Dryer Hookups		Yes					
Air Conditioning		Yes					
Carpet		No					
Drapes/shades		No					
Exhaust fan		Yes					
Range hood		Yes					
Other							
Monthly Utility Allowance Calculations:							
Utilities	Type of Utility	Owner/ Tenant	Enter Allowances by Bedroom Size				
			0-BR	1-BR	2BR	3-BR	4-BR
Heating	Electric	Tenant		17	23	28	
Air Conditioning	Electric	Tenant		7	10	13	
Cooking	Gas	Tenant		5	8	10	
Lighting, etc.	Electric	Tenant		25	36	44	
Hot water		Owner					
Water/Sewer/Trash		Owner					
Service Charge-Gas		Tenant		8	8	8	
Service Charge-Elec		Tenant		8	8	8	
Total Utility Allowance for Units:			0	70	93	111	0
Source of Utility Allowance Calculation:		specify source of utility allowance here					
<p>Note: Documentation to support Utility Allowance claims from source identified above must be submitted with this application. Failure to do so will result in the application being deemed incomplete.</p>							



# Building Acquisition Information

SECTION IV: Acquisition Projects Only			
Building(s) are vacant:		No	
Does this project involve any relocation of tenants?		Yes	
If yes, please describe the proposed relocation assistance attach a copy of the relocation plan at Tab 1e: Residents will receive assistance in accordance with the relocation plan attached at Tab 1e.			
Last date of occupancy mm/yy: 1/25		Year construction was completed: 1985	
Building(s) acquired or to be acquired from:		Unrelated party	
Building(s) acquired or to be acquired with Buyer's basis (Federal tax credit only):		Not determined with reference to Seller's basis	
Is this project a historic building?		No	
Is the project located in a historic district?		No	
Is a HUD approval for Transfer of Physical Assets required?		Yes	
Are building(s) previously subsidized with Federal tax credits?		No	
If yes, year of award _____		First year of credit period _____	
List below, by address, the date the building was placed in service, the date the building was or is to be acquired, and the number of years between the date the building was placed in service and date of acquisition. Attach separate sheet(s) with additional information if necessary.			
Address(es) of building(s)	Placed-in-service date (by most recent owner)	Proposed date of acquisition by applicant	BIN (if applicable)
123 Main Street, ABQ	1/15/2000	5/30/2026	N/A

# Development Team Contacts

Please fill out as completely as possible. If unknown, insert TBD. If not applicable, insert NA

Participant	Applicant <sup>1</sup> Main contact	Developer <sup>1</sup> (if different from Applicant) or Secondary Contact	Participating Non-Profit <sup>1</sup> (Tertiary Contact)	Ownership Entity/Borrower <sup>1</sup>	General Partner <sup>1</sup> / Managing Member <sup>1</sup> of Ownership Entity/Borrower
Entity Name					
Entity Address					
Entity City					
Entity State					
Entity Zip Code					
Contact First Name					
Contact Last Name					
Title					
Phone Number					
Email					
Federal Tax ID Number					
Organization Type					
Developer Fee Amount					
Identity of Interest <sup>2</sup>					
Role in Owner/Borrower					
% Ownership					



Participant	Co-GP/Co-MM/ additional entity with interest in Ownership Entity/Borrower <sup>1</sup>	Additional Entity <sup>1</sup> with interest in Ownership Entity/Borrower	General Contractor <sup>1</sup>	Management Agent <sup>1</sup>	Consultant <sup>1</sup> (Specify)
Entity Name					
Entity Address					
Entity City					
Entity State					
Entity Zip Code					
Contact First Name					
Contact Last Name					
Title					
Phone Number					
Email					
Federal Tax ID Number					
Organization Type					
Developer Fee Amount					
Identity of Interest <sup>2</sup>					
Role in Owner/Borrower					
% Ownership					





# Borrower/Owner Entity & Nonprofit Determination

<b>SECTION VI: Owner/Partnership/Borrower Information</b>	
Note: MFA reserves Federal Tax Credits to the partnership and general partners. Reservations are not transferable. Any unapproved change in general partner status results in reservation, commitment, or carryover forfeiture.	
Name of Borrower or Ownership Entity:	<input type="text"/> 0
On page 5, if Partnership, list all limited partners with a 25% or greater interest and all general partners; or if corporation/LLC, stockholders with a 10% or greater interest and all officers. Indicate "Title" i.e individual, Gen. Partner, Ltd Partner, Pres., Secy., Treas., Stockholder, etc. as appropriate. Use "Other Contact" on page 7, if needed, to list all officers. (Federal Tax Identification Numbers are Required)	
<b>SECTION VII: Nonprofit Determination</b>	
(Federal Tax Credit, HOME, NHTF, and NMHTF Projects Only)	
If this project is to be considered for the Nonprofit Set-Aside, or for additional points for nonprofit participation, the following must be complete. To qualify for the nonprofit set-aside, the applicant must materially participate in the development and operation of the project throughout the compliance period. Within the meaning of IRC 469(h), "a (nonprofit) shall be treated as materially participating in an activity only if the (nonprofit) owns an interest in the project and is involved in the development and operation of the project on a basis which is regular, continuous or substantial."	
Nonprofit name: <input type="text"/>	E.I.N.: <input type="text"/>
Street address: <input type="text"/>	Telephone: <input type="text"/>
City: <input type="text"/> State: <input type="text"/>	Zip code: <input type="text"/>
Contact person: <input type="text"/>	Email: <input type="text"/>
Exemption Type: <input type="text"/>	
Exempt purposes includes fostering of Low-Income Housing: <input type="text"/>	
Will the nonprofit hold a 51% or greater interest in the General Partner (if partnership) or in the managing member (if LLC) and receive at least 10% of the developer fee? <input type="text"/>	
<b>SECTION VII: Nonprofit Determination (Continued)</b>	
Describe the nonprofit's participation in the development, operation, and/or management of the project:	
<input type="text"/>	
<input type="text"/>	
<input type="text"/>	
<input type="text"/>	

# Schedule G – Federal Set-Aside Election

2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION  
Schedule G: Affordable Unit Set-Aside Election

Project Name:

The Owner anticipates electing the following Minimum Set-Aside Requirement:

- No At least 20% of the residential units in this development are rent-restricted and to be occupied by households with incomes at 50% or less of area median income; or
- Yes At least 40% of the residential units in this development are rent-restricted and to be occupied by households with incomes at 60% or less of area median income; or
- No At least 40% of the residential units in this development are rent and income restricted and the average income limit for all tax credit units in the Project is at 60% or less of area median income; or
- No Deep rent skewing option as defined in Section 42

Only Low Income Units as determined by the Project's Set Aside Election are eligible for Tax Credits. For example, if the 20/50 Election is chosen, only Units that are rent restricted and set aside for tenants whose income does not exceed 50% of Area Gross Median Income are qualified as Low Income Units.

In order to qualify for tax credits, projects must meet the minimum set-aside elected as of the close of the first year of the credit period.



**Read the selections carefully!**

**Average Income and 40% at 60% can look alike**



# Schedule D – Contractors Cost Breakdown

2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION						
Use of this unlocked version of Schedule D is at the Applicant's risk. A locked version is available upon request.						
Schedule D: Contractor's and Applicant's Cost Breakdown						
Project Name: 0				Federal HTC Requests ONLY		
Construction Period: Start Date: 7/1/2026		Completion: 12/1/2027		Residential Costs ONLY		
Trade Item	Total Cost [A] <sup>(1)</sup>	Commercial [B]	Residential [C]	Acquisition Basis [D]	New Construction/Rehab Basis [E]	NC/Rehab Breakout
I. Demolition <i>(Consult CPA for Eligible Basis guidance.)</i>						
II. Abatement						
III. Site Construction						
Division 31 - Earthwork <i>(Consult CPA for Eligible Basis guidance.)</i>	310,163	28,197	281,966	0	281,966	211,475
Division 32 - Irrigation & Planting <i>(Consult CPA for Eligible Basis guidance.)</i>	113,131	10,285	102,846	0	102,846	77,135
Division 32 - Exterior Improvements (except Irrigation & Planting)	290,996	26,454	264,542		264,542	198,407
Division 33 - Site Utilities	432,325	39,302	393,023		393,023	294,767
Division 02 - Existing Conditions (other - e.g., Unusual Site Conditions)						
<b>Sub-total: Site Construction On-site</b>	<b>1,146,615</b>	<b>104,238</b>	<b>1,042,377</b>	<b>-</b>	<b>1,042,377</b>	<b>781,784</b>

70% HTC should include entire 70% Eligible Basis. Extra column on right side is to calculate Developer Fee Split.



# Schedule D – Contractor’s Cost Breakdown

		Sub-total: Building and Structures					
V.	Off-Site Improvements (List)						
	Sub-total: Off-Site Improvements	-	-	-	-	-	-
VI.	Other Costs (List)						
	Hard Costs Only - (i.e., divisions not included above, MUST explain)						
	Sub-total: Other Costs	-	-	-	-	-	-
VII.	<b>TOTAL SCHEDULE D HARD CONSTRUCTION COSTS</b>	<b>1,042,377</b>	<b>-</b>	<b>1,042,377</b>	<b>-</b>	<b>967,835</b>	<b>-</b>
	<sup>(1)</sup> Sum of Columns B and C.						
	<b>ADDITIONAL INFORMATION TO ENTER INTO SCHEDULE A:</b>	<b>Total Cost [A]<sup>(1)</sup></b>	<b>Commercial [B]</b>	<b>Residential [C]</b>	<b>Acquisition Basis [D]</b>	<b>New Construction/ Rehab Basis [E]</b>	<b>NC/Rehab Breakout</b>
	Contractor Overhead						
	Contractor Profit						
	General Requirements						
	Gross Receipts Tax (GRT)						
	Contractor's Insurance						
	Contractor's Performance Bond						
	Contractor Signature:						
	Contractor Name/Title						
	Contractor Firm:						
	Date:						

➤ Information transfers to Schedule A

➤ Contractor must sign

# Schedule A – Development Cost Budget

**2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION**  
**Schedule A: Development Cost Budget**

**Use of this unlocked version of Schedule A is at the Applicant's risk. A locked version is available upon request.**

Project Name: \_\_\_\_\_ Date: \_\_\_\_\_  
 Total Units: \_\_\_\_\_ Low Income Units: \_\_\_\_\_

\*Round figures to nearest dollar

	FEDERAL HTC REQUESTS ONLY			RESIDENTIAL COSTS ONLY		
	TOTAL ACTUAL COST	COMMERCIAL	RESIDENTIAL	ACQUISITION BASIS	REHAB/ NEW CONSTRUCTION BASIS	Rehab/NC Projects enter entire NC + Rehab amount in column to the left and enter rehab amount here.
<b>ACQUISITION COSTS</b>						
Land Acquisition	-					
Building Acquisition	-					
Other (a)	-		-			
<b>SUBTOTAL</b>	-	-	-	-	-	-
<b>TOTALS FROM SCHEDULE "D" CONTRACTOR'S AND MORTGAGOR'S COST BREAKDOWN</b>						
Demolition (I)	-	-	-			-
Abatement (II)	-	-	-			-
Site Construction (III)	1,146,615	104,238	1,042,377			781,784
Buildings and Structures (IV)	-	-	-			-
Off-Site Improvements (V)	-	-	-			-
Other Costs (VI)	-	-	-			-
<b>SUBTOTAL (VII)</b>	<b>1,146,615</b>	<b>104,238</b>	<b>1,042,377</b>	<b>-</b>	<b>-</b>	<b>781,784</b>

**Applicant is required to provide detail on each "Other" row.**

ACQUISITION COSTS [Other (a)]	
DESCRIPTION OF COST	AMOUNT
<b>TOTAL</b>	<b>-</b>





# Schedule A – Development Cost Budget

Enter costs where there is a line for them.

PROFESSIONAL SERVICES/FEES						
Architect (Design)	311,560	311,560				
Architect (Supervision)	77,890	77,890				
Attorney (Real Estate)	40,000	40,000				
Engineer/Survey	24,000	12,000	12,000	-	12,000	-
Other (c)	<del>12,000</del>		12,000			
<b>SUBTOTAL</b>	<del>454,450</del>	441,450	24,000	-	12,000	-

PROFESSIONAL SERVICES/FEES [Other (c)]	
DESCRIPTION OF COST	AMOUNT
Accounting	<del>12,000</del>
<b>TOTAL</b>	12,000

SOFT COSTS						
Market Study	12,500	12,500				
Enviromental	3,000	3,000				
Tax Credit Fees	-					
Appraisal	10,000	10,000				
Hard Relocation Costs	-	-				
Accounting/Cost Certification	24,000	12,000	12,000			
Other (f)	-					
<b>SUBTOTAL</b>	49,500	37,500	12,000	-	-	-



# Schedule A – Construction Contingency Example

## New Construction

\$11,094,892	Construction Costs before GRT, GR, Overhead & Profit
<u>5%</u>	Minimum Owner Contingency Percentage
\$ 554,745	Minimum Owner Contingency Dollar
<u>\$ 650,000</u>	Application Contingency
\$ (95,255)	(Excess)/under minimum

Contingency included in construction contract will be included as a hard construction cost and will not count toward required owner construction contingency.



# Schedule A/D – Builder’s Fees Example

\$11,094,892	Construction Costs before GRT, GR, Overhead & Profit
<u>6%</u>	Allowed percentage for Profit
\$665,694	Maximum for Profit (if no identity of interest)
<u>\$665,694</u>	Application Profit
\$0	(Excess)/under used

*Same formula as above for General Requirements*

\$11,094,892	Construction Costs before GRT, GR, Overhead & Profit
<u>2%</u>	Allowed percentage for Overhead
\$221,898	Maximum for Overhead
<u>\$221,898</u>	Application Overhead
\$0	(Excess)/under used



# Schedule A – Developer Fee Calculation

9% Project Developer fees\* may not exceed:

- First 30 low-income Units - \$25,000 per Low Income Unit, plus
- LI Units 31-60 - \$22,500
- LI Units 61+ - \$20,000
- Total Developer Fee limited to lesser of:
  - \$2.5M calculated as above or 14% TDC\*\*

\*Further reduction when there is an identity of interest between buyer and seller. (Lesser of calculation or 14% TDC\*\*)



# Schedule A – Developer Fee Calculation

14% TDC\*\* Excludes:

- Donated Land
- Waived Fees
- Developer Fees (which includes consultant fees)
- Reserves
- Acquisition cost (Non-arms length purchase)



# Schedule A – Developer Fee Calculation

9% Project with 72 Total Units, 60 Low Income Units

\$25,000 per Low Income Units 1-30

30 Low Income Units

\$750,000 Plus:

\$22,500 per Low Income Units 31-60

30 Low Income Units

\$675,000

\$750,000 + \$675,000 = \$1,425,000 Developer Fee

\$16,388,500 Total Development Costs – affordable units

x 14% Maximum Fee Percentage

\$2,294,390 Developer Fee



# Schedule A – Developer Fee Calculation

- Acquisition/Rehabilitation Developer Fee Split
- 30% basis proportionate to acquisition cost (not including land)/TDC
  
- Assume the following amounts:
  - Acquisition Costs in Basis (ACB) = \$100,000
  - Total Development Costs (TDC) = \$1,000,000
  - Total Developer Fee (TDF) = \$140,000
- What is the split?

ACB / TDC = Percentage of Acquisition portion of Developer Fee (%DF)	$\$100,000 / \$1M = 10\%$
%DF x TDF = Amount of Acquisition portion of Developer Fee (ADF)	$10\% \times \$140,000 = \$14,000$
TDF – ADF = Amount of Rehab portion of Developer Fee	$\$140,000 - \$14,000 = \$126K$

Therefore, the \$140,000 developer is split between acquisition for \$14,000 and rehabilitation at \$126,000.



## Schedule A Development Cost Budget *Developer Fees*

- 9%
  - Amount:
    - \$25,000 per LI Unit for first 30 LI Units
    - \$22,500 per LI Unit for LI Units 31 – 60
    - \$22,000 per LI Unit for LI Units 61+
    - Not To Exceed 2,500,000 AND Not To Exceed 14% of TDC
  - Other limitations:
    - Maximum locked at Initial Application
    - Donated Land and waived fees excluded from TDC calculation
    - Consultant is not separate fee
    - Reserves excluded from TDC
      - May be part of Developer fee if not held for 15 years
    - Identity of Interest – may further reduce developer fee
- 4%
  - Locked at 8609 issuance
  - 14% of TDC

# Schedule A – Reserves and Expenses

**Operating Expenses** = Project operating expenses (excluding reserves and resident social services expenses); \$4,300 to \$5,800/unit;

**Replacement Reserve** = \$250/unit/year for Senior housing (new construction only) and \$300/unit/year for all other project types;

**Operating Reserve** = minimum of six months operating expenses (including replacement reserves and social services expenses) and all must-pay debt service.



## A Development Cost Budget

### *Cost Caps by Line Item*

6%/2%/6%=14%  
of Construction Costs



3.3% of TDC



Fee per LI Unit  
Not To Exceed \$2.5M & 14% TDC



# Schedule A-1 – Sources of Funds

2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION									
Schedule A-1: Sources of Funds									
Use of this unlocked version of Schedule A-1 is at the Applicant's risk. A locked version is available upon request.									
Project Name: 0		Perm Loan Rate is: LOI+50bps				Date: 1/0/1900			
Financing Sources	Source of Funds (e.g., lender)	Program (e.g., HOME, AHP)	Construction Amount	Permanent Amount	Interest Rate	Payment		Term	
						Amount	Frequency	Amort. Yrs.	Loan Yrs.
<b>Permanent Loan</b>	Bank Name		0	1,500,000	7.75%	121,792	ANNUAL	40	16
Other Hard Payment Loan	Housing New Mexico/MFA	NM Housing Trust Fund	3,000,000	2,000,000	3.00%	85,916	ANNUAL	40	40
Other Hard Payment Loan	Housing New Mexico/MFA	NM HOME Funds	500,000	500,000	0.00%	12,500	ANNUAL	40	40
<b>Construction Loan</b>	Construction Lender Name		12,500,000	0					
Other Loan	Housing New Mexico/MFA	National HTF	400,000	400,000	0.00%	500		40	40
Other Loan	Federal Home Loan Bank of Dallas	AHP	1,000,000	1,000,000					
Other	City	Local Funding Source	1,000,000	1,000,000					
<b>Deferred Developer Fee</b>			50,000	50,000					
			<b>Subtotal:</b>	<b>18,450,000</b>	<b>6,450,000</b>				



# Schedule A-1 – Sources of Funds (continued)

First Other Equity	45L Credits			152,998						
2nd Other Equity										
<b>Tax Credit Proceeds</b>	Syndicator Name		2,542,946	12,714,728						
		<b>Total:</b>	<b>20,992,946</b>	<b>19,317,726</b>						
<b>Note: Total of Permanent Amount Column MUST Equal Total Development Cost in Schedule A.</b>					<b>Equity Installment Schedule</b>					
<b>Check Schedule A TDC - it must equal total permanent sources</b>								<b>Date</b>	<b>Amount</b>	
Are you willing to defer your developer fee without interest, if MFA's evaluation results in a need to do so?					Yes					
If you plan to issue bonds, indicate amounts.								Initial Installment	7/1/2026	2,542,946
								2nd Installment	12/1/2027	9,536,046
								3rd Installment	2/1/2028	635,736
								4th Installment		
								5th Installment		
								<b>Total</b>		<b>12,714,728</b>
								Estimated annual tax credits times 10 years		14,960,000
								Multiply by tax investor ownership percentage		0.99990
								<b>Total tax credits</b>		<b>14,958,504</b>
								Expected credit price		0.850
								Expected cash equity		<b>12,714,728</b>

# Common Errors on Applications!

## Schedule A-1

### Interest Rate

- Always add 50 bps

- 7.25% Amount in LOI + 50 bps = 7.75%
- 7.25% Amount in LOI

LOI: Projected Loan Rate: 7.25% PLUS 50 Basis Points = 7.75%

Project Name: 0			Perm Loan Rate is: LOI			Date: 1/0/1900			
Financing Sources	Source of Funds (e.g., lender)	Program (e.g., HOME, AHP)	Construction Amount	Permanent Amount	Interest Rate	Payment		Term	
						Amount	Frequency	Amort. Yrs.	Loan Yrs.
Permanent Loan	Bank Name		0	1,500,000	7.25%	115,141	ANNUAL	40	16

Project Name: 0			Perm Loan Rate is: LOI+50bps			Date: 1/0/1900			
Financing Sources	Source of Funds (e.g., lender)	Program (e.g., HOME, AHP)	Construction Amount	Permanent Amount	Interest Rate	Payment		Term	
						Amount	Frequency	Amort. Yrs.	Loan Yrs.
Permanent Loan	Bank Name		0	1,500,000	7.75%	121,792	ANNUAL	40	16



# Schedule B – Rent Schedule

- Property has the following unit mix and all units are at 60% AMI:
- 19 x 1BR – Floor Plans are 650 and 700 SF
- 20 x 2 BR – Floor Plans are 875 and 900 SF
- 21 x 3 BR – Floor Plans are 1,200 and 1,300 SF

[Source1]	Restricted Units at			60%		of Median Income	
Number BR/Unit Type <sup>(3)</sup>	1-BR	2-BR	3-BR				Totals
Net Sq. Ft./Unit	650	875	1,200				28,450
Number of Units	10	10	11				31
Gross Monthly Rent/Unit <sup>(1)</sup>	849	1,020	1,178				
Minus: Utility Allowance	75	93	114				
Net Monthly Rent/Unit	774	927	1,064				
Annual Rental Income (All Units)	92,880	111,240	140,448				344,568
[Source2]	Restricted Units at			60%		of Median Income	
Number BR/Unit Type <sup>(3)</sup>	1-BR	2-BR	3-BR				Totals
Net Sq. Ft./Unit	700	900	1,300				28,300
Number of Units	9	10	10				29
Gross Monthly Rent/Unit <sup>(1)</sup>	849	1,020	1,178				
Minus: Utility Allowance	75	93	114				
Net Monthly Rent/Unit	774	927	1,064				
Annual Rental Income (All Units)	83,592	111,240	127,680				322,512

# Schedule B – Rent Schedule

- Project Narrative States:
  - The Project will include 59 newly constructed LIHTC units. One additional unit will be a non-revenue management unit.

LIHTC Units	Restricted Units at			60% of Median Income		
Number BR/Unit Type <sup>(3)</sup>	1-BR	2-BR	3-BR			Totals
Net Sq. Ft./Unit	700	900	1,300			57,300
Number of Units	19	20	20			59
Gross Monthly Rent/Unit <sup>(1)</sup>	849	1,020	1,178			
Minus: Utility Allowance	75	93	114			
Net Monthly Rent/Unit	774	927	1,064			
Annual Rental Income (All Units)	176,472	222,480	255,360			654,312
Non-Revenue Manager	Restricted Units at			60% of Median Income		
Number BR/Unit Type <sup>(3)</sup>			3-BR			Totals
Net Sq. Ft./Unit			1,200			1,200
Number of Units			1			1
Gross Monthly Rent/Unit <sup>(1)</sup>						
Minus: Utility Allowance						
Net Monthly Rent/Unit						
Annual Rental Income (All Units)						

Include *all units* on Schedule B. Employee/Exempt Units are approved by Asset Management after PIS.



# Schedule B – Rent Schedule

**Land Use Restriction Unit Count: 60 Units**

**Obtain a letter from Asset Management for approval of management units after PIS.**

All Units	Total All Units (From All Sources Above)						Totals
Number BR/Unit Type	ALL 0 BDRMS	ALL 1 BDRMS	ALL 2 BDRMS	ALL 3 BDRMS	ALL 4 BDRMS	ALL 5 BDRMS	Totals
Net Sq. Ft./Unit		13,300	18,000	27,200			58,500
Number of Units		19	20	21			60
Gross Monthly Rent/Unit <sup>(1)</sup>							
Minus: Utility Allowance							
Net Monthly Rent/Unit							
Annual Rental Income (All Units)		176,472	222,480	255,360			654,312
Units Receiving Rental Assistance (from all sources above)		0	0	0			

All units will be considered “LIHTC units” on LURA; “management units” are considered “common area”, not residential units. This allows for flexibility if the property requires additional units in the future or management household size changes.



# Common Errors on Applications!

## Schedule B

### *Manager's Unit*

- Project Narrative States:
  - The Project will include 59 newly constructed LIHTC units. One additional unit will be a non-revenue management unit.

All Units	Total All Units (From All Sources Above)						Totals
Number BR/Unit Type	ALL 0 BDRMS	ALL 1 BDRMS	ALL 2 BDRMS	ALL 3 BDRMS	ALL 4 BDRMS	ALL 5 BDRMS	
Net Sq. Ft./Unit		13,050	17,880	25,500			56,435
Number of Units		19	20	20			59
Gross Monthly Rent/Unit <sup>(1)</sup>							
Minus: Utility Allowance							
Net Monthly Rent/Unit							
Annual Rental Income (All Units)		176,472	222,480	255,360			654,312
Units Receiving Rental Assistance (from all sources above)		0	0	0			

**Include all units on Schedule B. Employee/Exempt Units are approved by Asset Management after PIS.**

# Common Errors on Applications!

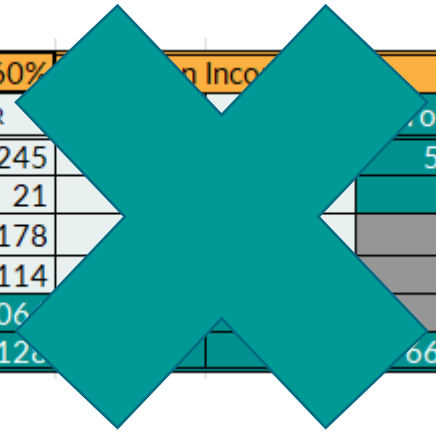
- Property has the following unit mix and all units are at 60% AMI:
- 19 x 1BR – Floor Plans are 650 and 700 SF
- 20 x 2 BR – Floor Plans are 875 and 900 SF
- 21 x 3 BR – Floor Plans are 1,200 and 1,300 SF

LIHTC Units	Restricted Units at			60% of Median Income		
Number BR/Unit Type <sup>(3)</sup>	1-BR	2-BR	3-BR			Totals
Net Sq. Ft./Unit	650	875	1,200			27,250
Number of Units	10	10	10			30
Gross Monthly Rent/Unit <sup>(1)</sup>	849	1,020	1,178			
Minus: Utility Allowance	75	93	114			
Net Monthly Rent/Unit	774	927	1,064			
Annual Rental Income (All Units)	92,880	111,240	127,680			331,800

LIHTC Units	Restricted Units at			60% of Median Income		
Number BR/Unit Type <sup>(3)</sup>	1-BR	2-BR	3-BR			Totals
Net Sq. Ft./Unit	700	900	1,300			29,600
Number of Units	9	10	11			30
Gross Monthly Rent/Unit <sup>(1)</sup>	849	1,020	1,178			
Minus: Utility Allowance	75	93	114			
Net Monthly Rent/Unit	774	927	1,064			
Annual Rental Income (All Units)	83,592	111,240	140,448			335,280

	Restricted Units at			60% of Median Income		
	1-BR	2-BR	3-BR			Totals
	675	888	1,245			56,730
	19	20	21			60
	849	1,020	1,178			
	75	93	114			
	774	927	1,064			
	176,472	222,480	268,128			667,080



**Break out different sized units.**



# Common Errors on Applications!

## Rent Schedule Low Rent Housing

U.S. Department of Housing  
and Urban Development  
Office of Housing  
Federal Housing Commissioner

OMB Approval No. 2502-0012  
(exp. 11/30/2020)

See page 3 for Instructions, Public Burden Statement and Privacy Act requirements.

Project Name	FHA Project Number	Date Rents Will Be Effective (mm/dd/yyyy)
	N/A	10/01/2022

### Part A – Apartment Rents

Show the actual rents you intend to charge, even if the total of these rents is less than the Maximum Allowable Monthly Rent Potential.

Col. 1 Unit Type  (Include Non-revenue Producing Units)	Col. 2 Number of Units	Contract Rents		Col. 5 Utility Allowances  (Effective Date (mm/dd/yyyy) _ / _ / _)	Col. 6 Gross Rent Col. 3 + Col. 5	Market Rents (Sec. 236 Projects Only)	
		Col. 3 Rent Per Unit	Col. 4 Monthly Contract Rent Potential (Col. 2 x Col. 3)			Col. 7 Rent Per Unit	Col. 8 Monthly Market Rent Potential (Col. 2 x Col. 7)
1 BR	16	835	13,360		835		0
2 BR	8	1,025	8,200		1,025		0
3 BR	36	1,133	40,788		1,133		0
4 BR	15	1,274	19,110		1,274		0
			0		0		0

Insert Rents and UA from HAP Contract  
Into Schedule B

No rent overhang on Schedule C

Rental Assistance Units	Restricted Units at				50%	of Median In
Number BR/Unit Type <sup>(3)</sup>	1-BR RA	2-BR RA	3-BR RA	4-BR RA		
Net Sq. Ft./Unit	650	900	1,200	1,400		
Number of Units	16	8	36	15		
Gross Monthly Rent/Unit <sup>(1)</sup>	835	1,025	113	1,274		
Minus: Utility Allowance						
Net Monthly Rent/Unit	835	1,025	113	1,274		
Annual Rental Income (All Units)	160,320	98,400	48,816	229,320		

# Common Errors on Applications!

EFFECTIVE DATE: 1/1/2022							
Albuquerque Housing Authority Section 8 Monthly Utility Allowances for Tenant Furnished Utilities and Other Services							
Multi-Family (High-Rise/Apartment/Row House/ Townhouse/Semi-Detached /Duplex)							
		0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5 Bedroom
<b>Heating</b>							
	Nat Gas	18	21	23	27	30	33
	Electric	14	17	22	28	33	39
	Botl Gas	67	83	90	102	114	130
	Elec Pmp	13	15	17	20	22	24
<b>Air Cond.</b>							
	Electric	6	7	9	12	15	17
<b>Cooking</b>							
	Nat Gas	2	3	4	6	7	9
	Electric	5	5	8	10	12	15
	Botl Gas	8	12	16	20	28	35
<b>Other Elec/Light</b>							
	Electric	17	20	27	35	43	51
<b>Water Heater</b>							
	Nat Gas	6	7	10	13	16	19
	Electric	11	13	16	20	24	27
	Botl Gas	20	28	39	51	59	75
<b>Water</b>							
	Water	26	28	33	37	41	46
<b>Sewer</b>							
	Sewer	19	21	24	28	31	35
<b>Trash Collection</b>							
	Trash	18	18	18	18	18	18
<b>Range</b>							
		11	11	11	11	11	11
<b>Refrigerator</b>							
		12	12	12	12	12	12
<b>System Charge</b>							
	Gas	13	13	13	13	13	13
	Electric	8	8	8	8	8	8

How much is my utility allowance for a 1-bedroom unit with:

- Electric Heat
- Air conditioning
- Natural Gas Stove
- Natural Gas Hot Water Heater



**Utility Allowance**  
*Subheading*

# Schedule C – Operating Expense Budget (Tab 5a)

## Schedule C – Operating Expense Budget (Tab 5a)

- 7% vacancy / 5% (Seniors, PSH, PBV)
- Maximum 6% management fee (calculated on gross income)
- Replacement Reserves – we will underwrite to at least MFA minimums
- No HAP Contract “Overhang” – include full rent on Schedule B
- Annual Compliance Fee is \$50 per Low Income Unit
- **Don't forget** Prior Year Operating Expenses if Rehabilitation Project



# Schedule C – Operating Expense Budget (Tab 5a)

## Explain other income

2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION				
Schedule C: Operating Expense Budget				
Use of this unlocked version of Schedule C is at the Applicant's risk. A locked version is available upon request.				
Project Name:	0		Date:	1/0/1900
	Total Units:	60	Total Budget	Per Unit Cost
<b>INCOME</b>				
1	Annual Rental Income Per Schedule B/Section F		654,312	10,905
2	Parking Income		18,000	300
3	Laundry Income		14,400	240
4	Other Income (Specify) Late Fees		6,000	100
	Income Subtotal		692,712	
5	Less Vacancy @ 7%		(48,490)	
6	Commercial Income			
7	Less Vacancy @ 5%			0
8	<b>TOTAL INCOME</b>		<b>644,222</b>	<b>10,737</b>

# Schedule C – Operating Expense Budget (Tab 5a)

Must show reduction in eligible basis if including parking income in budget.

2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION							
Schedule C: Operating Expense Budget							
Use of this unlocked version of Schedule C is at the Applicant's risk. A locked version is available upon request.							
Project Name:	0			Date:	1/0/1900		
	Total Units:	60	Total Budget	Per Unit Cost			
<b>INCOME</b>							
1	Annual Rental Income Per Schedule B/Section F		654,312	10,905			
2	Parking Income		18,000	300			
3	Laundry Income		14,400	240			
4	Trade Item		Total Cost [A] <sup>(1)</sup>	Commercial [B]	Residential [C]	Acquisition Basis [D]	New Construction/Rehab Basis [E]
5	Demolition <i>(Consult CPA for Eligible Basis guidance.)</i>						
6	Abatement						
7	Site Construction						
8	Division 31 - Earthwork <i>(Consult CPA for Eligible Basis guidance.)</i>		281,966		281,966		281,966
	Division 32 - Irrigation & Planting <i>(Consult CPA for Eligible Basis guidance.)</i>		102,846		102,846		102,846
	Division 32 - Exterior Improvements (except Irrigation & Planting)		264,542		264,542		190,000
	Division 33 - Site Utilities		393,023		393,023		393,023
	Division 02 - Existing Conditions (other - e.g., Unusual Site Conditions)						
	Sub-total: Site Construction On-site		1,042,377	-	1,042,377	-	967,835



# Common Errors on Applications!

## Schedule C

### Operating Income

2022 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION							
Schedule C: Operating Expense Budget							
Project Name:		0			Date:		1/28/2022
Total Units:				60	Total Budget		Per Unit Cost
<b>INCOME</b>							
1	Annual Rental Income Per Schedule B/Section F				526,212	8,770	
2	Parking Income				18,000	300	
3	Laundry					240	
4	Other In					100	
2022 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION							
Schedule D: Contractor's and Applicant's Cost Breakdown							
Project Name:		0			Federal HTC Requests ONLY		
Construction Period: Start Date:				Completion:		Residential Costs ONLY	
5	Less \	<b>Trade Item</b>	<b>Total Cost [A]<sup>(1)</sup></b>	<b>Commercial [B]</b>	<b>Residential [C]</b>	<b>30% HTC Basis [D]</b>	<b>70% HTC Basis [E]</b>
I. <b>Demolition</b>							
6	Comme	II. <b>Accessory Structures</b>					
III. <b>Site Construction</b>							
7	Less \	Earth Work	281,966		281,966		281,966
Site Utilities							
Roads & Walks							
Site Improvements							
8	<b>TOTAL</b>	Lawns & Planting	102,846		102,846		102,846
Unusual Site Conditions							
Sub-total: Site Construction			1574206	0	1574206	0	1514206



# Schedule C-1 – Cash Flow Projection

Annual Projections (Post Construction Period)	1	2	13	14	15
<b>Income</b>					
<b>Effective Gross Income (EGI)</b>	<b>613,160</b>	<b>625,423</b>	<b>777,635</b>	<b>793,188</b>	<b>809,052</b>
<b>Expenses</b>					
<b>Total Expenses</b>	<b>348,567</b>	<b>358,626</b>	<b>490,709</b>	<b>504,926</b>	<b>519,559</b>
<b>Net Operating Income</b>	<b>264,593</b>	<b>266,797</b>	<b>286,927</b>	<b>288,262</b>	<b>289,493</b>
<b>Annual Debt Service (Hard Debt)</b>					
First Mortgage	121,792	121,792	121,792	121,792	121,792
Second Mortgage	85,916	85,916	85,916	85,916	85,916
Third Mortgage	12,500	12,500	12,500	12,500	12,500
Fourth Mortgage	500	500	500	500	500
Other	0	0	0	0	0
<b>Total Debt Service</b>	<b>220,708</b>	<b>220,708</b>	<b>220,708</b>	<b>220,708</b>	<b>220,708</b>
<b>Net Project Cash Flow</b>	<b>43,885</b>	<b>46,089</b>	<b>66,219</b>	<b>67,555</b>	<b>68,785</b>
<b>Debt Service Coverage - First</b>	<b>2.17</b>	<b>2.19</b>	<b>2.36</b>	<b>2.37</b>	<b>2.38</b>
<b>Debt Service Coverage - All Debt</b>	<b>1.20</b>	<b>1.21</b>	<b>1.30</b>	<b>1.31</b>	<b>1.31</b>
<b>Deferred Developer Fee</b>	<b>6,115</b>	<b>(39,975)</b>	<b>(675,630)</b>	<b>(743,185)</b>	<b>(811,970)</b>

Income, expense, and reserve escalators at minimum stated in underwriting supplement (2%/3%)

Debt Service Coverage Ratio is underwritten assuming 50 bps stress on interest rate in LOI

DDF that can't be paid in 15 years is reduced from eligible basis.

# Common Errors on Applications!

- What in this pro-forma is unacceptable?

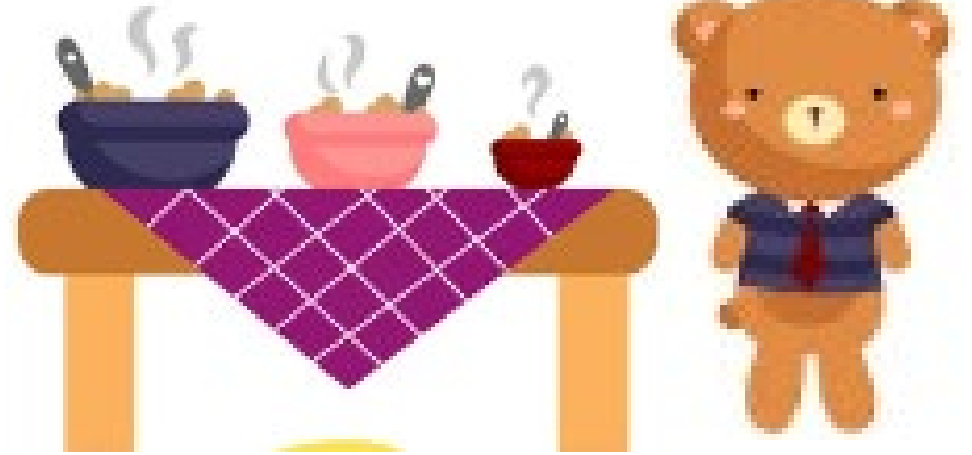
Annual Projections (Post Construction Period)	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
<b>Income</b>															
<b>Effective Gross Income (EGI)</b>	489,377	499,165	509,148	519,331	529,718	540,312	551,118	562,141	573,383	584,851	596,548	608,479	620,649	633,062	645,723
<b>Expenses</b>															
Total Expenses	318,720	327,965	337,482	347,278	357,361	367,740	378,423	389,420	400,739	412,391	424,386	436,732	449,441	462,524	475,991
<b>Net Operating Income</b>	170,657	171,199	171,666	172,053	172,357	172,572	172,695	172,721	172,644	172,460	172,162	171,747	171,207	170,538	169,732
<b>Annual Debt Service (Hard Debt)</b>															
First Mortgage	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
<b>Total Debt Service</b>	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
<b>Net Project Cash Flow</b>	10,657	11,199	11,666	12,053	12,357	12,572	12,695	12,721	12,644	12,460	12,162	11,747	11,207	10,538	9,732
<b>Debt Service Coverage - First</b>	1.07	1.07	1.07	1.08	1.08	1.08	1.08	1.08	1.08	1.08	1.08	1.07	1.07	1.07	1.06
<b>Debt Service Coverage - All Debt</b>	1.07	1.07	1.07	1.08	1.08	1.08	1.08	1.08	1.08	1.08	1.08	1.07	1.07	1.07	1.06

# Common Errors on Applications!

- Read the *Underwriting Supplement* like Goldilocks to include the DSCR that is *just right*!



1.40  
1.30  
1.25  
1.20  
1.15  
1.10  
0.95





# Common Errors on Applications!

- DSCR within range:

Annual Projections (Post Construction Period)	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
<b>Income</b>															
<b>Effective Gross Income (EGI)</b>	489,377	499,165	509,148	519,331	529,718	540,312	551,118	562,141	573,383	584,851	596,548	608,479	620,649	633,062	645,723
<b>Expenses</b>															
Total Expenses	318,720	327,965	337,482	347,278	357,361	367,740	378,423	389,420	400,739	412,391	424,386	436,732	449,441	462,524	475,991
<b>Net Operating Income</b>	170,657	171,199	171,666	172,053	172,357	172,572	172,695	172,721	172,644	172,460	172,162	171,747	171,207	170,538	169,732
<b>Annual Debt Service (Hard Debt)</b>															
First Mortgage	139,727	139,727	139,727	139,727	139,727	139,727	139,727	139,727	139,727	139,727	139,727	139,727	139,727	139,727	139,727
<b>Total Debt Service</b>	139,727	139,727	139,727	139,727	139,727	139,727	139,727	139,727	139,727	139,727	139,727	139,727	139,727	139,727	139,727
<b>Net Project Cash Flow</b>	30,930	31,472	31,939	32,326	32,630	32,845	32,968	32,994	32,917	32,733	32,435	32,020	31,480	30,811	30,005
Debt Service Coverage - First	1.22	1.23	1.23	1.23	1.23	1.24	1.24	1.24	1.24	1.23	1.23	1.23	1.23	1.22	1.21
Debt Service Coverage - All Debt	1.22	1.23	1.23	1.23	1.23	1.24	1.24	1.24	1.24	1.23	1.23	1.23	1.23	1.22	1.21

# Architect Certification

## 2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION

### Architect's Certification

I have examined the drawings and specifications dated \_\_\_\_\_ prepared by [Architect] and related to the development known as [Project name] located in [Location], NM.

Based upon this examination, to the best of my knowledge and belief, these documents conform to all local, state and federal laws designated as the development standard for the project including, but not limited to, the Fair Housing Laws as they pertain to handicapped accessibility and adaptability, all local health, safety and building codes and those requirements as set forth in the New Mexico Mortgage Finance Authority's ("MFA") 2025 Low-Income Housing Tax Credit Qualified Allocation Plan (if applicable) and in MFA's 2025 Mandatory Design Standards for Multifamily Housing.

Based upon examination of the drawings and specifications, all items in the initial Universal Rental Development Application committed to and overall design elements are incorporated.

(SEAL)

\_\_\_\_\_  
Architect Name

\_\_\_\_\_  
Architect Signature

\_\_\_\_\_  
Date

➤ **Fill in information at top**

➤ **Sign bottom with architect's seal**



# Waiver Requests

## 2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION WAIVER REQUEST PROCEDURE FOR DESIGN REQUIREMENTS

In the event it is not economically feasible to adhere strictly to all submission or design requirements contained in the Mandatory Design Standards for Multifamily Housing, individual requirements may be waived at Housing New Mexico/MFA's sole discretion.

Waiver Requests occurring after the submission of an application are considered changes to the Project. A \$500 fee payment is required with each Waiver Request presented following an application submission.

Project Architect Name and Company: \_\_\_\_\_

Project Name:  \_\_\_\_\_ TBD Apartments

Project Location: \_\_\_\_\_

Date: \_\_\_\_\_ Is the Project submitting a 9% or 4% application? \_\_\_\_\_

Waiver(s) is requested as follows:  
*(Please number each request consecutively and provide the compelling reason(s) or circumstance(s) for requesting the waiver. Use additional pages as needed and include any relevant backup for the request).*

\_\_\_\_\_  
Architect Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Owner Signature

\_\_\_\_\_

- No waivers approved in advance of Application
- Submit with Initial Application, or if later, with \$500 change fee after award



# Capital Needs Assessment Certification

## 2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION

### Capital Needs Assessment Certification of Qualified Professional

Name of Applicant \_\_\_\_\_

Name of Project: TBD Apartments

Address of Project: \_\_\_\_\_

As required by the Qualified Allocation Plan (QAP), all rehabilitation and adaptive reuse projects must provide a Capital Needs Assessment (CNA) with the Application if requesting an exception from the 20-year requirement, prior to the issuance of the letter of determination for tax-exempt bond finance projects, or at carryover for all other tax credit projects. For those projects with only MFA loan financing, the CNA must be provided before closing.

Professionals performing the CNA must meet the minimum qualification/certification requirements set forth by MFA.

I hereby certify that:

- I can substantiate a minimum of three (3) years of experience providing Capital Needs Assessment reports in accordance with the Qualified Allocation Plan and Design Standards.
- I have no financial interest in the Project listed above, or an identity of interest in the Developer or Co-Developer or personal interest with respect to the parties involved.
- I am an independent, third-party professional not involved in the design or preparation of drawings and specifications for the Project.

The information presented in this report is accurate and the report can be relied upon by the New Mexico Mortgage Finance Authority (MFA).

\_\_\_\_\_  
Qualified Professional Company

\_\_\_\_\_  
Qualified Professional Company Representative Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

*This certification is to be placed at the front of and is hereby incorporated into the Capital Needs Assessment presented herewith.*

➤ **Complete and insert into front of capital needs assessment.**



# Energy Credits Calculations

Energy Credits Supporting Data to be Inserted at Tab 14b	
Please refer to federal guidance, which may be obtained at the links below, and provide calculations of the equity proceeds listed on Schedule A-1 inserted at Tab 3a. To use the sample calculations below, fill in the light green cells.	
<b>Section 45L Tax Credits</b>	
<a href="https://www.energystar.gov/about/federal_tax_credits/federal_tax_credit_archives/tax_credits_home_builders">https://www.energystar.gov/about/federal_tax_credits/federal_tax_credit_archives/tax_credits_home_builders</a>	
Calculation:	
Applicable Per Unit 45L Credit	\$ -
	x
Number of Units	0
Total 45 L Credits	\$ -
Total 45 L Credits	\$ -
	x
Syndicated at an Investment Rate of	0.000%
	x
Syndicated at a Price of	\$ -
45L Tax Credit Equity Proceeds	\$ -
<b>Investment Tax Credit Calculation:</b>	
<a href="https://www.energy.gov/eere/solar/federal-solar-tax-credits-businesses">https://www.energy.gov/eere/solar/federal-solar-tax-credits-businesses</a>	
Total Eligible Costs of Solar Energy System	\$ -
	x
Investment Tax Credit of 30% of System Costs	30%
Total Investment Tax Credit	\$ -
	+
Low-Income Bonus (If Applicable)	
Total Eligible Costs of Solar Energy System	\$ -
	x
Low-Income Bonus	20%
Total of Low-Income Bonus	\$ -
Total Investment Tax Credit with Low-Income Bonus	\$ -
Total Investment Tax Credit with Low-Income Bonus	\$ -
	x
Syndicated at an Investment Rate of	0.000%
	x
Syndicated at a Price of	\$ -
Total Investment Tax Credit Equity Proceeds	\$ -
Additional state and local incentives can be found on the DSIRE database:	
<a href="https://programs.dsireusa.org/system/program/nm">https://programs.dsireusa.org/system/program/nm</a>	

➤ Complete and insert at Tab 14b, if applicable.

➤ Note link to data base for more programs



## Private Activity Bond Volume Cap Information Form required for Hybrid 4%/9% Projects

**2025 MFA UNIVERSAL RENTAL DEVELOPMENT APPLICATION**  
**LIHTC Project Selection Criteria**  
**Private Activity Bond Volume Cap Information Form**  
(For Hybrid 9% + 4% Private Activity Bond Volume Cap Applications Only)

**Project Information:**  
Project Name: TBD Apartments  
Project Address: \_\_\_\_\_  
County: \_\_\_\_\_  
No. of Units: \_\_\_\_\_ No. of Buildings: \_\_\_\_\_

**Target Population:** \_\_\_\_\_

**Type of Site Control:** \_\_\_\_\_  
Expiration Date: \_\_\_\_\_  
If "Other" explain here: \_\_\_\_\_

**Project Type:** \_\_\_\_\_  
If "Other" explain here: \_\_\_\_\_

**Proposed amount of bonds:**  
Permanent Financing \_\_\_\_\_  
Construction Loan \_\_\_\_\_

**Proposed Bond Placement:** \_\_\_\_\_  
If Private, identify the bond purchaser: \_\_\_\_\_  
If Public, will you have a Letter of Credit or Insurance: \_\_\_\_\_

**Proposed Rate Structure:** \_\_\_\_\_



# Tax-Exempt Bond Issuance

## Mechanisms:

- Private Activity Bond Volume Cap (PAB)
  - most common because they come with 4% LIHTC
- Refunding outstanding bond issues
- Issuing new 501(c)3 bonds

**Conduit issuer** – loans from other sources

## Process for PAB:

1. Apply for 4% LIHTC
2. Once approved, draft 42(m) letter provided
3. Inducement Resolution issued
4. Applicant prepares State Board of Finance (SBOF) application for Housing New Mexico to submit to SBOF for approval
5. TEFRA hearing
6. Bond Resolution to Housing New Mexico Board for approval
7. Closing



# Questions?

**Jeanne Redondo**

*Tax Credit Program Manager II*

Finance Department

Tel: 505-767-2210

Email: [ssmith@housingnm.org](mailto:ssmith@housingnm.org)

**Christi Wheelock**

*Tax Credit Program Manager*

Housing Development Department

Tel: 505-767-2279

Email: [cwheelock@housingnm.org](mailto:cwheelock@housingnm.org)

7425 Jefferson St. NE, Albuquerque, NM 87109

Tel: 505-843-6880

[www.housingnm.org](http://www.housingnm.org)



*We Are Housing New Mexico*

# 2025 Qualified Allocation Plan Workshop

1

Tax Credit Timeline Overview

2

2024 Round Results

3

2025 QAP Review

4

2025 Application Process

5

Other Housing New Mexico Financing

6

Environmental Review Process

7

Tax Credit Compliance & Monitoring



# Housing New Mexico Financing Sources

## Housing New Mexico offers:

- HOME Investment Partnerships (federal)
- National Housing Trust Fund (federal)
- Ventana Fund
- Primero Investment Fund
- New Mexico Housing Trust Fund
- 542(c) FHA-Insured Multifamily (Risk Share)
- State Tax Credit (Donation based)

**Universal Rental Development Application** for most sources; apply for all Housing New Mexico financing concurrently



# HOME Investment Partnership

## Loan Terms:

- **Maximum award with 9% LIHTC** is lowest of:
  - Per Project - \$500K (\$1.25M for CHDO)
- **Maximum award if no 9% LIHTC** is lowest of:
  - Per Project - \$1M (\$1.25M for CHDO)
  - 80% of approved total development cost
- **Hard Debt** – Principal only
- **Interest** - 0% - 3%
- **Term** – 2 Years Construction + 40 Year Perm
- **Environmental review** process required
- **Davis Bacon** wages may apply



## Loan Terms:

- **Extremely Low-Income Households**
  - 30% AMI or federal poverty line
- **Maximum award with 9% LIHTC - \$400K /Project**
- **Maximum award if no 9% LIHTC - \$1.5M/Project**
- **Maximum per Unit subsidy - See NOFA**
- **Cash Flow Payment**
  - Or \$500 per annum
- **Interest - 0%**
- **Term - Minimum 30 Years**
- **Eligible Costs:** Development Hard Costs, Refinancing, Acquisition, Related Soft Costs, and Rehabilitation
- **Environmental Review**





# Ventana Fund Construction Loan

**Eligible Costs:** New construction or acquisition/ rehabilitation with firm take-out financing

**Income Restrictions:** at or below 80% AMI

**Term:** 12-24 months

**Maximum Loan:** \$1M

**LTV:** 80%; may consider subordinate lien position

**Interest:** below market rate (check their website) [www.ventanafund.org](http://www.ventanafund.org)

**Payment:** monthly interest only



# Primero Loan Fund

**Funded through Housing Opportunity Fund**

**Funding high-risk projects and priority is given to MFA's Primero Selection Preference:**

- Tribal Housing, Colonias Housing, Housing Rehabilitation, and Manufactured Housing Assistance

**Eligible Costs:**

- Predevelopment – third party reports such as: environmental assessments, appraisals, title search/insurance, architecture/ engineering fees, market studies
- Development – multifamily rental acquisition, construction, conversion or rehabilitation

**Interest** – Typically 3%/annum; 1% loan fee at closing

**Loan Fee at Closing** – 1%

**Term** – Up to 5 years for pre-development

**Maximum loan** - \$3M per Project or funds available





# New Mexico Housing Trust Fund

**Eligible Costs:** Infrastructure, construction, acquisition & rehabilitation for single-family or rental housing as outlined in NOFA

**Interest** – Rural, Senior, Tribal, PSH, underserved areas may be eligible for discount from the base rate:

9% LIHTC – 3% base rate

4% LIHTC – 2% base rate

Non-LIHTC – 1% base rate

**Income Limits:** Households at or below 60% AMI

**Maximum loan during construction:** \$3M

**Maximum long-term permanent loan:** \$2M

**Hard Payment** – fully amortizing over 40 years

**Loan Term** – 2-year construction period and up to a 40-year term





# 542(c) FHA-Insured Multifamily (Risk Share)

**Eligible Projects:** New Construction, substantial rehabilitation, refinancing or acquisition

Maximum Loan – Up to \$2M (LTV restrictions apply)

**Term:** up to 35 years (existing) and 40 years (new const) plus up to 24 months for construction

**Interest:** (10 Year Treasury Rate + current HUD-approved total MIP + 25 bps MFA Servicing Fee + 2.00%)

**Fully amortizing** after interest only during construction

**First Lien Position**

**Prepayment prohibited** for minimum 10 years of amortization period (longer if required for bond transactions)



# NM State Tax Credit Program

## Program Basics:

- Used to fund affordable housing for low to moderate income occupants
- Provides tax credits to eligible individuals and businesses that provide donations to MFA-approved affordable housing projects approved by MFA, or to the charitable trust administered by MFA
- Credits on income taxes, gross receipts taxes (GRT) and compensating taxes (excluding local option GRT imposed by a municipality or county, or the government GRT)
- Donations can include land, buildings, cash or services
- Credit is equal to up to 50% of the value of the donation (i.e. \$2,000 donation = \$1,000 tax credit)
- Minimum accepted donation is \$200; maximum is \$2,000,000

# NM State Tax Credit Program

How much is available?

- Amount equal to a base rate of \$1.85, adjusted annually for inflation, multiplied by the state population

How does it work?

- Once an award is approved, eligible project applicants solicit donations for the development of an eligible affordable housing project
  - includes non-profit or for-profit developers and governmental or tribal instrumentalities
- Qualified affordable housing activities include land or building acquisition, new construction, rehabilitation, weatherization, etc. for an eligible affordable housing project
- Eligible projects include single family or multifamily housing
  - Project must remain affordable for a minimum of 5 years (single family) or 10 years (multifamily)



# Questions?

**Jacobo Martinez**

*Assistant Director*

Housing Development Department

Tel: 505-767-2285

Email: [jmartinez1@housingnm.org](mailto:jmartinez1@housingnm.org)

**Tim Martinez**

*Assistant Director*

Housing Development Department

Tel: 505-767-2258

Email: [tmartinez@housingnm.org](mailto:tmartinez@housingnm.org)

7425 Jefferson St. NE, Albuquerque, NM 87109

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1

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2

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3

2025 QAP Review

4

2025 Application Process

5

Other Housing New Mexico Financing

6

Environmental Review Process

7

Tax Credit Compliance & Monitoring

# Environmental Review

An environmental review is the process of reviewing a project and its potential environmental impacts to determine whether it meets federal, state, and local environmental standards. The environmental review process is required for **all HUD-assisted projects** to ensure that the proposed project does not negatively impact the surrounding environment and that the property site itself will not have an adverse environmental or health effect on end users. Not every project is subject to a full environmental review but **every project must be in compliance with the National Environmental Policy Act (NEPA)**, and other related Federal and state environmental laws.

- HOME, NHTF, Risk Share, and any other federal fund source must complete environmental review before site control or execution of loan documents to avoid a choice limiting action.
- Projects with NHTF funding only must complete Environmental Provisions process before construction completion.
- Keep in mind the timing of the environmental review process. You can complete review before submission of loan application. On average a review can take up to 4 months to complete.
  - You will receive environmental review packets after Loan Award Letter is sent out.
- Training can be provided upon request by MFA. HUD Exchange website has training modules.



# Questions?

**Michelle Wherley**

*Regulatory Compliance Specialist II*

Policy & Planning Department

Tel: 505-308-4230

Email: [mwherley@housingnm.org](mailto:mwherley@housingnm.org)

7425 Jefferson St. NE, Albuquerque, NM 87109

Tel: 505-843-6880

[www.housingnm.org](http://www.housingnm.org)



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# 2025 Qualified Allocation Plan Workshop

1

Tax Credit Timeline Overview

2

2024 Round Results

3

2025 QAP Review

4

2025 Application Process

5

Other Housing New Mexico Financing

6

Environmental Review Process

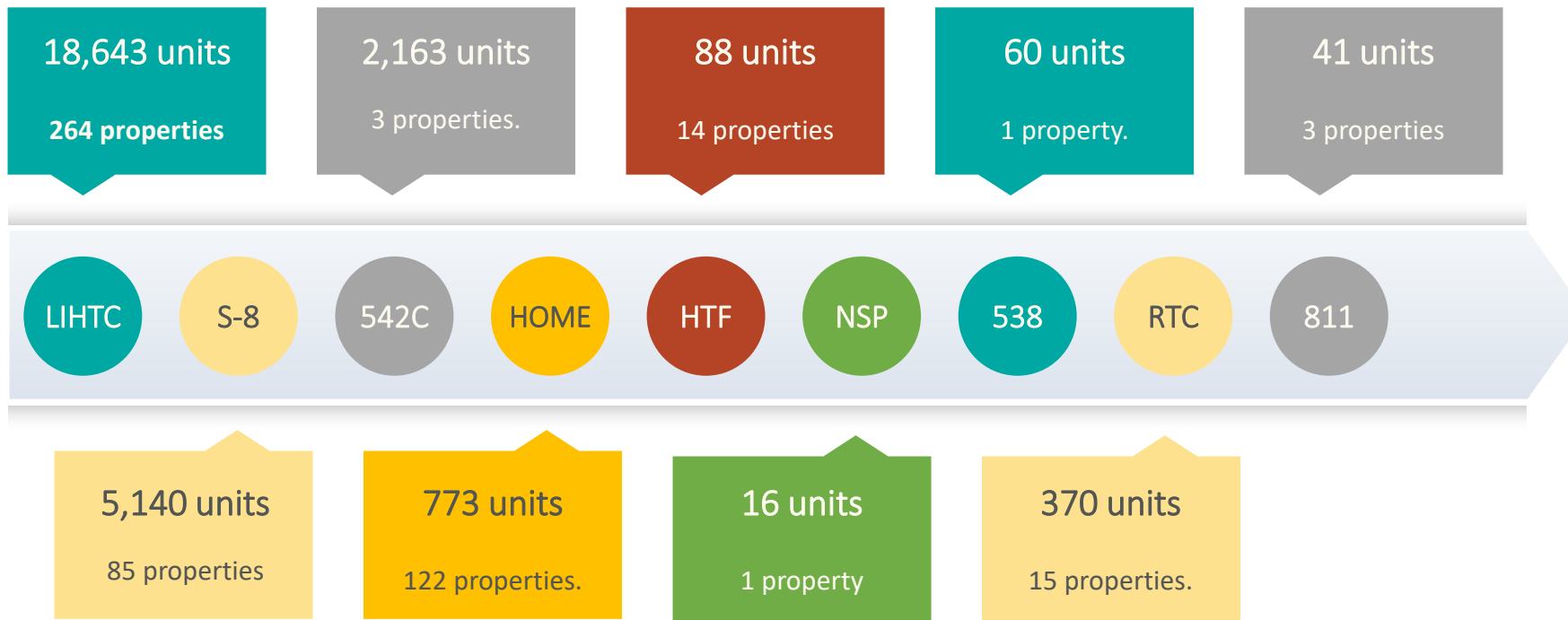
7

Tax Credit Compliance & Monitoring

# Compliance Monitoring

MFA’s asset management department is responsible for compliance audits and physical site inspections for more than 300 properties totaling over 18,000 units throughout New Mexico.

The asset management department is committed to working with and providing training to property owners, management agents and property managers, to ensure the successful operation of properties.





# Monitoring Schedule

## LIHTC/TCAP

ON SITE: within one year of date of last building placed in service, then once every three years.

If non-compliance issues are severe then visits could be every year until non-compliance is corrected.

## HOME/HTF

ON SITE: The on-site inspections must occur within 12 months after project completion and at least once every 3 years thereafter during the period of affordability.

The participating jurisdiction may adopt a more frequent inspection schedule for noncompliant properties

## 542(c) Risk Sharing

ON SITE: within one year of the loan closing, then Annually.

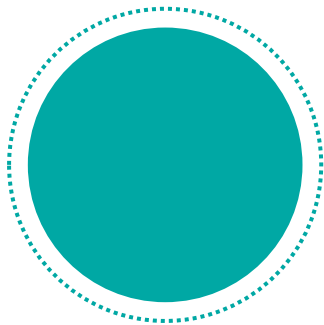
REAC: frequency of re-inspection based upon score. From every three years to annually.

## TCEP/RTC/ USDA 538/NSP

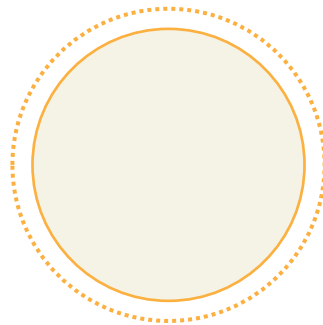
ON SITE: Annually.

# Utility Allowance Methods

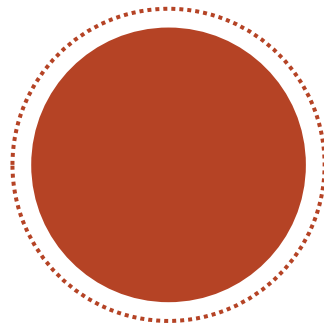
- Properties with tenant paid utilities must evaluate utility allowances schedules annually using an acceptable method chosen by the owner/agent.
- Acceptable methods to calculate utility allowances:



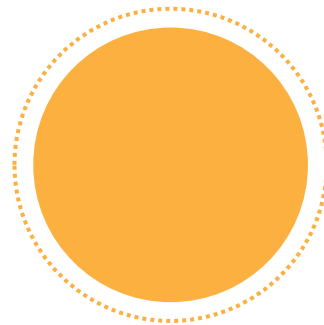
**HUD UTILITY  
SCHEDULE  
MODEL**



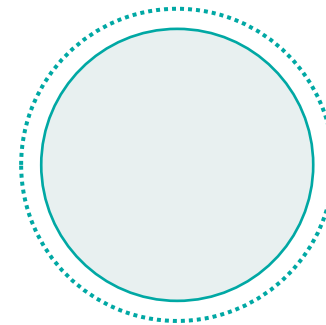
**MULTIFAMILY  
HOUSING**



**UTILITY  
COMPANY  
ESTIMATE**



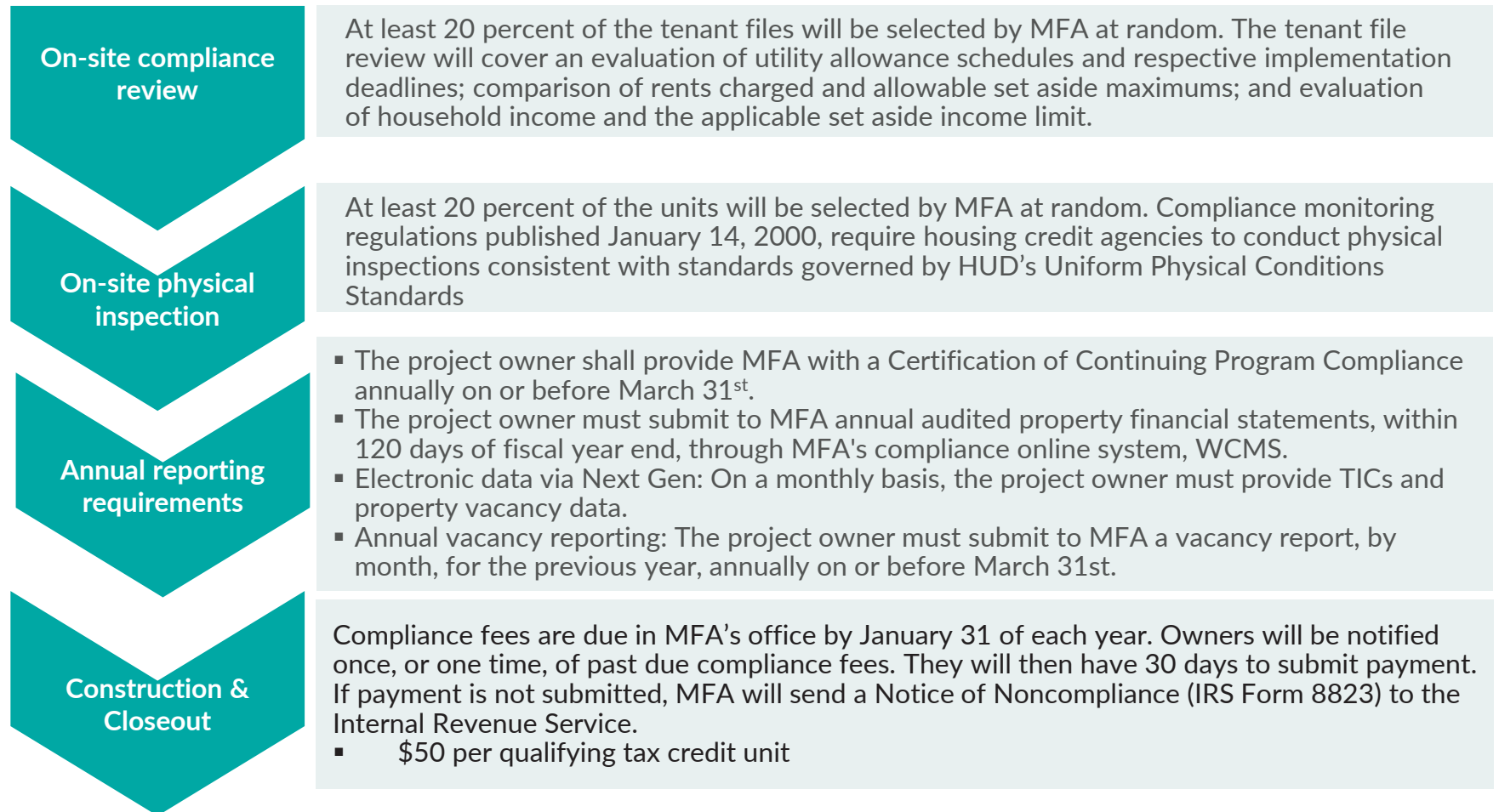
**ENERGY  
CONSUMPTION  
MODEL**



**\*PUBLIC  
HOUSING  
AUTHORITY  
SCHEDULE\***

\*Properties with HOME/HTF funds cannot use this method\*

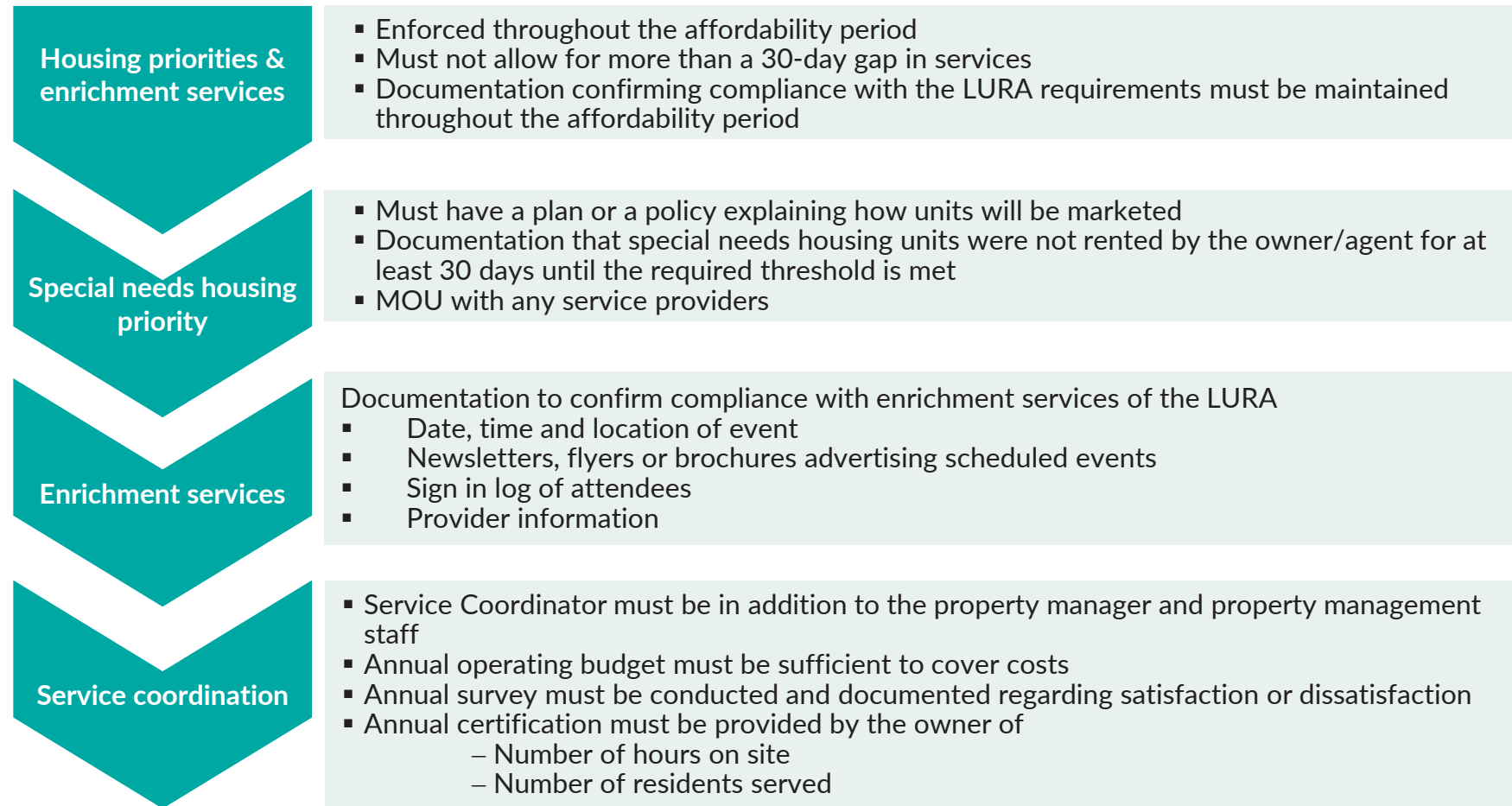
# Compliance Monitoring





# Compliance Monitoring

## Housing Priority Requirements



# Additional Functions



## Service Enrichment LURA Modifications

In conjunction with the housing development department, asset management will review requests to modify service enrichment changes subsequent to the initial selection at application.



## Lease up meeting

In conjunction with the housing development department, a representative will be available at the lease up meeting to answer questions and provide information.



## Approval of Employee units

After initial application should a need for an employee unit to be added, written requests from owner/agents can be submitted to the asset management department for Review and approval.



## Review of Affirmative Fair Housing Marketing Plans (Risk Share, HOME, NHTF, TCEP, NSP)

LIHTC projects with additional affordable layers may require an approved marketing plan. Plans can be submitted to the asset management department for review, approval and on-going compliance monitoring.



## Reserve for Replacement Requests (Risk Share)

Risk Share projects require a reserve held for capital replacement. Requests for eligible expenditures can be submitted to the asset management department for review and approval. The next site inspection will confirm repair and replacement of items paid by the reserve.

# Section 811 Project Rental Assistance

In 2020, Housing NM-MFA received a \$3.5 million award to participate in HUD's Section 811 Project Rental Assistance (PRA) program, which provides project-based rental assistance for extremely low-income persons with disabilities who are linked with long-term services. The rental assistance covers the difference between the tenant payment and the property's contract rent. Housing NM-MFA has HUD approval to accept FMR.

## TENANT ELIGIBILITY

Households in which a household member has one or more of the substantial, long-term disabilities listed below, provided that an LLA determines appropriate services related to the type of disability

At least one person in the household must be non-elderly (18-61 years of age), have a disability that meets the criteria for Special Needs, and be eligible to receive Medicaid and services/supports.

The household must be extremely low-income (earning 30 percent of AMI or below) as defined by HUD.

**\$2.5 Million in  
811 PRA  
assistance  
available**

## PROJECT ELIGIBILITY

New construction or rehabilitation projects  
Existing multifamily properties excluding units with existing occupancy or use restrictions for persons with disabilities or for persons aged 62 or older or units that have received any form of long-term operating subsidy in the last six months.

No more than 25 percent of the total units in a property may be restricted to persons with disabilities and Section 811 PRA units must be dispersed throughout the property. FY2019 funding, we have approximately 49 units available with \$2,539.841 of funding remaining. The total award per RAC depends on units taken and FMRs



# Questions?

**Amanda Mottershead-Aragon**  
*Assistant Director*  
Asset Management Department  
Tel: 505-767-2267  
Email: [aaragon@housingnm.org](mailto:aaragon@housingnm.org)

7425 Jefferson St. NE, Albuquerque, NM 87109

Tel: 505-843-6880

[www.housingnm.org](http://www.housingnm.org)



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# Helpful Links

Application Materials

<https://housingnm.org/developers/lihtc/current-and-prior-tax-credit-rounds>

Developer Page (resources, loans, state tax credits, QCTs, etc.)

<https://housingnm.org/developers>

Submit questions after this workshop in writing – FAQ Process

<https://housingnm.org/developers/lihtc/lihtc-applications-faq-2025>

Fundamentals Slides and Video are available here:

<https://housingnm.org/developers/lihtc/current-and-prior-tax-credit-rounds>

Want to meet about your project? (except scoring)

<https://housingnm.org/developers/developer-meeting-request-form>

Rent and Income Limits:

<https://housingnm.org/property-owners-agents-and-managers/tools-resources-1/rent-and-income-limits>

# More Questions?

**Jeanne Redondo**

*Tax Credit Program Manager II*

Finance Department

Tel: 505-767-2210

Email: [ssmith@housingnm.org](mailto:ssmith@housingnm.org)

**Christi Wheelock**

*Tax Credit Program Manager*

Housing Development Department

Tel: 505-767-2279

Email: [cwheelock@housingnm.org](mailto:cwheelock@housingnm.org)

7425 Jefferson St. NE, Albuquerque, NM 87109

Tel: 505-843-6880

[www.housingnm.org](http://www.housingnm.org)



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