



LAND TITLE TRUST FUND Notice of Funding Availability (NOFA) and Application Guidelines

Introduction and Background

This Act creates the Land Title Trust Fund (the "Fund"). The Act provides that certain title company escrow funds may be placed in interest-earning accounts; the interest earned is to be remitted to the Fund. The Fund will be used to finance loans or grants that will provide housing for low-income persons whose household income does not exceed 80% of area median income ("AMI") and other uses as outlined in the act.

Contact Person

Applicants are encouraged to direct questions regarding the LTFF Notice of Funding Availability ("NOFA") and Application Guidelines to:

Tim Martinez
New Mexico Mortgage Finance Authority
7425 Jefferson St NE
Albuquerque, NM 87109
Phone: (505) 767-2243 or toll-free statewide (800) 444-6880
E-mail: tmartinez@housingnm.org

Application Submission and Due Date

Applications must be received no later than 60 days prior to a regularly scheduled meeting of the MFA Board of Directors in order to be considered at that meeting. Meetings of the MFA Board of Directors are generally held every third Wednesday of the month. The required forms will be provided electronically and may be downloaded from MFA's website at <http://www.housingnm.org>. Applications will be reviewed for completeness and scoring. If applications are incomplete or otherwise unacceptable, they will be returned to the applicant for completion or with a rejection notice. A minimum score of 75 points must be achieved for a project to be funded.

Applications must be submitted either electronically through MFA's file sharing site (see below) or as hard copies. Hard copy applications shall be submitted in file folders marked "Land Title Trust Fund Application" and may be delivered by U.S. mail, by courier service or by hand* to the following address:

MFA
Attn: Tim Martinez, Housing Development Supervisor
7425 Jefferson St NE
Albuquerque, NM 87109

*All in person deliveries must call the main line at (505) 843-6880 to schedule a time for the drop off.

Electronic applications must be uploaded to MFA's file sharing site:

https://mfa.internal.housingnm.org/SFT_HD

Eligible Applicants

Eligible applicants include non-profit organizations, governmental housing agencies, regional housing authorities, governmental entities, governmental instrumentalities, tribal governments, and tribal housing agencies. Eligible applicants are entities that can assume contractual liability and legal responsibility by executing one or more written agreements entered into with MFA.

To be eligible to receive Land Title Trust Fund assistance, an applicant shall:

- Be organized under state, local, or tribal laws;
- Have a functioning accounting system that is operated in accordance with generally accepted accounting principles or has designated an entity that will maintain such an accounting system consistent with generally accepted accounting principles;
- Have (a) no material financial audit findings, and (b) no material findings on its most recent MFA monitoring or outstanding or unresolved issues with MFA, as determined by MFA;
- Not have been suspended, debarred or otherwise restricted by any department or agency of the federal government or any state government from doing business with such department or agency because of misconduct or alleged misconduct;
- Have among its purposes significant activities related to providing housing or services to persons of low and/or moderate income; and
- Not have defaulted on any obligation covered by a surety or performance bond.

If a non-profit organization, an applicant shall:

- Provide proof of its 501(c)(3) tax status;
- Provide proof that it is in compliance with the Charitable Solicitations Act NMSA 1978, §57-22-1, et. seq. and with the filing requirements by the New Mexico Attorney General's Office under that Act; and
- Have no part of its net earnings inuring to the benefit of any member, founder, contributor or individual.

Eligible Activities

Subject to applicable law, the Land Title Trust Fund may be used to assist in financing a wide range of activities to provide affordable housing. The Fund will be used to finance loans or grants that will provide housing for low-income persons. MFA encourages contact and inquiries from potential applicants prior to and during application preparation to help assure that proposed activities are eligible. Eligible activities may include, but are not limited to:

Homeownership

- Down payment assistance and homebuyer education
- New construction or acquisition, rehabilitation, and resale of single-family homes including manufactured housing
- Home rehabilitation and maintenance, or repair of existing owner-occupied housing
- Emergency home repair of existing owner-occupied housing
- Predevelopment activities

Rental Housing

- New construction or acquisition and rehabilitation of permanent rental housing
- Rehabilitation of existing affordable rental housing

- Predevelopment activities

Special Needs Housing

- New construction or acquisition and rehabilitation of housing for special needs populations including, but not limited to, transitional, group or congregate housing, and temporary housing for the homeless
- Rehabilitation of existing housing for special needs populations
- Predevelopment activities

Eligible Expenses

Subject to applicable law, LTTF financing may be used only for reasonable and customary costs that are directly attributable and traceable to the development, acquisition, and/or rehabilitation of affordable housing projects and other activities as allowed under Eligible Activities above.

Funding Terms and Conditions

All LTTF awards shall be subject to the availability of funds and applicable law. The MFA will allocate only the minimum amount of funds that MFA determines to be necessary for the financial feasibility of the project. LTTF awards may be in the form of loans or grants. Loans and grants will be secured by mortgages and/or other appropriate liens. Additionally, the recording of Land Use Restriction Agreements or similar restrictive covenants will be required and remaining in place for the stipulated affordability period regardless of the status of the loan or changes in ownership, unless equal or more restrictive land use restrictions are in place from other funding sources or imposed through permanent affordability mechanisms such as deed restrictions or land trusts.

Funding Limits and Restrictions

Certain limits and restrictions apply to LTTF financing and to activities that the LTTF may fund. Awards are also contingent upon sufficient availability of funds. MFA, in its discretion, may set limits on the amount of LTTF funding to be awarded per application, per NOFA, or otherwise.

Evaluation of Applications, Award Notice, and Negotiation

Subject to applicable law and the Land Title Trust Fund Act, applications will be evaluated by MFA staff using the criteria listed below, and by the Land Title Trust Fund Advisory Committee, with final selection to be made by MFA's Board of Directors. In the event of a tie score, staff will recommend approval based on readiness to proceed, financial need, and other factors as determined by staff. As a condition of any award of LTTF funds, all applicants shall be required to comply with all applicable federal, state and local laws, rules and ordinances.

Threshold Requirements

To be considered for funding, an applicant must first demonstrate that it meets each of the following threshold criteria:

1. The application is complete and legible, including all exhibits and attachments, and is submitted by the application deadline.
2. The application complies with all applicable requirements established in this application.
3. The applicant provides sufficient evidence of its ability to undertake and complete the proposal in the areas of financing, acquiring, rehabilitating, developing, and/or managing an affordable housing project.

Applications that do not meet all of the threshold requirements will not receive further consideration for funding. The application will be returned to the applicant for resubmission; a list of those threshold items that were not met will be included with the returned application.

Protest

Any applicant who is aggrieved in connection with this NOFA or the award of a loan or grant pursuant to the LTTF application process may protest to MFA. The protest must be written, addressed to the Contact Person and delivered to MFA within fifteen (15) calendar days after the notice of award. Upon the timely filing of a protest, the Contact Person shall give notice of the protest to any and all applicants who appear to have a substantial and reasonable prospect of being affected by the outcome of the protest. The applicants receiving notice may file responses to the protest within seven (7) calendar days of notice of protest. The Land Title Trust Fund Advisory Committee shall review the protest and responses to the protest and shall make a recommendation to MFA's Board of Directors regarding the disposition of the protest.

LAND TITLE TRUST FUND Funding Application

Name of Organization	Amount Requested ¹ \$
Address	
Telephone Number	Fax Number
Tax ID Number	Web Site Address (if applicable)
Affiliated Organization(s)	

Contact Person	Title
Telephone Number	Fax Number
E-mail Address	Application Date

Type of Organization	<input type="checkbox"/> Non-profit organization ² <input type="checkbox"/> Governmental entity <input type="checkbox"/> Other:
Years in Existence	
Organization Operating Budget	\$
Proposed Funding Terms	<input type="checkbox"/> Amortizing loan with interest <input type="checkbox"/> Amortizing loan without interest <input type="checkbox"/> Loan with no payments and including use restrictions (i.e. due on sale or transfer to an ineligible household/client, or upon refinancing)
	<input type="checkbox"/> Loan forgivable after 5 years minimum <input type="checkbox"/> Administrative grant
Number of Households/Clients This Project Will Serve	
Income Limits for Households/Clients This Project Will Serve (As a % of Area Median Income)	

¹ Awards are contingent upon sufficient availability of funds. Contact the LTF program manager to verify the current available funds balance.

² Non-profit applicants must provide proof of 501(c)(3) status, proof of compliance with the Charitable Solicitations Act, and a list of the Board of Directors' names, employers (if applicable), and addresses. These items should be included as part of Exhibit 2.

Questions 1 - 7

1. What services does your organization provide?

2. Why is your organization requesting Land Title Trust Fund assistance at this time?

3. In which geographic area or areas will your organization provide services with funding from the Land Title Trust Fund? How will your proposed project benefit communities in that area/those areas?

4. Provide a proposed funding cycle below indicating when you anticipate drawing funds from the Land Title Trust Fund for your project.

Date(s)				
Amount(s)				

5. Provide proposed project funding budget below.

Sources of Funds	Uses of Funds			
	Project	Admin	Other	Total
LTTF (Requested)	\$	\$	\$	\$
	\$	\$	\$	\$
	\$	\$	\$	\$
	\$	\$	\$	\$
GRAND TOTAL (NOTE: LIST ALL MATCHING AND LEVERAGING SOURCES)				\$

6. List the title companies in the geographic areas you serve. A list of NM title companies is available at <http://www.nmlta.org/> (NM Land Title Association’s web site). See the Contact Person for a list of companies participating in the LTTF.

Name	Address	Contact Person	Participate in LTTF?
			<input type="checkbox"/> YES <input type="checkbox"/> NO
			<input type="checkbox"/> YES <input type="checkbox"/> NO
			<input type="checkbox"/> YES <input type="checkbox"/> NO
			<input type="checkbox"/> YES <input type="checkbox"/> NO
			<input type="checkbox"/> YES <input type="checkbox"/> NO
			<input type="checkbox"/> YES <input type="checkbox"/> NO
			<input type="checkbox"/> YES <input type="checkbox"/> NO

7. Are any of the above title companies supporting this application? If so, please provide a letter of support.

Exhibits

Exhibit 1 Attach a one to two-page executive summary. In addition to describing the basic nature of the proposed project/program, it should demonstrate the applicant's ability to undertake and complete the proposal in the areas of financing, acquiring, rehabilitating, developing, and/or managing an affordable housing project.

The executive summary should also demonstrate the uniqueness of this project/program in order for the applicant to receive the maximum number of points available under the "innovative" scoring criterion on the score sheet of this application. A proposed project/program is considered innovative if it:

- (a) is not duplicative of existing services within the proposed service area,
- (b) addresses an unmet need on the affordable housing continuum, and
- (c) cannot be fully funded with other existing funding sources (or cannot be funded with other sources in an amount of time that would allow for successful pursuit of the project opportunity).

Flexibility in repayment terms—*i.e.*, *granting* funds without use restrictions or to households above 30% AMI is not considered innovative for purposes of the Land Title Trust Fund.

Exhibit 2 Submit latest external financial audit for most recent fiscal year available and internally prepared financial statements for any fiscal year since then with interims statements dated within 90 days of the application date.

Non-profit applicants must also provide:

- (1) proof of 501(c)(3) income tax exempt status,
- (2) a list of the Board of Directors' names, employers (if applicable), and addresses, and
- (3) Provide proof that it is in compliance with the Charitable Solicitations Act NMSA 1978, §57-22-1, *et. seq.* and with the filing requirements by the New Mexico Attorney General's Office under that Act.

Exhibit 3 On a separate sheet, describe and quantify services your organization provided during the last 12 months. (If you provide services in more than one county, distinguish by county.)

Please note: incomplete applications will not be reviewed or scored in the funding round during which they were submitted. They will be returned to the applicant with an explanation as to missing items. The applicant may apply during the next quarterly funding round.

**Exhibit 4
Service Area**

Please describe your organization's geographic service area as it appears in your organization's by-laws. In the boxes below, please check all county service areas as authorized in your by-laws and then check the counties where your organization has actually provided services, developed housing, etc.

County	Authorized	Served	County	Authorized	Served
Bernalillo			McKinley		
Catron			Mora		
Chaves			Otero		
Cibola			Quay		
Colfax			Rio Arriba		
Curry			Roosevelt		
DeBaca			San Juan		
Dona Ana			San Miguel		
Eddy			Sandoval		
Grant			Santa Fe		
Guadalupe			Sierra		
Harding			Socorro		
Hidalgo			Taos		
Lea			Torrance		
Lincoln			Union		
Los Alamos			Valencia		
Luna					

Scoring Criteria	Points Available	Points Awarded	
		Self-Assessment	MFA Assessment
1. Title Company Participation (In Service Area) ³ 76% to 100% of title companies participate 51% to 75% of title companies participate 26% to 50% of title companies participate 10% to 25% of title companies participate	20 pts 15 pts 10 pts 5 pts		
2. Leveraging of Resources LTTF funds as a percentage of total project cost: 10% or less 11% to 15% 16% to 20% 21% to 25%	20 pts 15 pts 10 pts 5 pts		
3. Funding Terms Amortizing loan with interest Amortizing loan without interest Loan with no payments & use restrictions Loan forgivable after 5 years minimum	20 pts 15 pts 10 pts 3 pts		
4. Household/Client Income (weighted average) 30% AMI or less 31 - 50% AMI 51 - 70% AMI	20 pts 15 pts 10 pts		
5. Service to Priority Area(s) Defined in the current Action Plan & contingent on activity proposed (see following page)	10 pts		
6. Administrative Costs Percentage of proposed funding that will be used for administrative costs: 3% or less 4% to 5%	10 pts 5 pts		
7. Innovative Project/Program Proposed project/program: (a) is not duplicative of existing services within the proposed service area, (b) addresses an unmet need on the affordable housing continuum, and (c) cannot be fully funded with other existing funding sources	24 pts		
8. Letter of support from a participating title company	6 pts		
Applicants must earn a threshold level of 75 points to be considered for funding	130 points		

³ If a limited number of title companies in the proposed service area actively participate in the LTTF, applicants are encouraged to solicit non-participating title companies to enroll (enrollment forms may be downloaded from www.housingnm.org).

2009 Action Plan Priority Areas

Homebuyer Assistance

MFA has identified the following priority counties for homebuyer assistance (i.e., down payment and closing cost assistance) programs: Bernalillo, Los Alamos, San Miguel, Sandoval, Santa Fe, Taos, Torrance, and Valencia Counties.

New Single Family Housing Development

MFA has identified the following priority counties for new single family housing development initiatives: Doña Ana, Luna, and Valencia Counties.

Housing Rehabilitation

MFA has identified the following priority counties for owner-occupied housing rehabilitation programs: Catron, Cibola, De Baca, Harding, Hidalgo, McKinley, Mora, Rio Arriba, Roosevelt, Sandoval, San Juan, San Miguel, Socorro and Taos Counties.

Rental Development – New Construction

MFA has identified the following priority counties for rental development programs for new construction: Bernalillo, Doña Ana and Sandoval Counties.

Rental Development – Acquisition/Rehab

MFA has identified the following priority counties for rental development programs for acquisition/rehab: Bernalillo, Doña Ana, Grant, Luna, San Miguel, Santa Fe, Sierra, Socorro, Taos, Torrance and Valencia Counties.

Special Programs

Special programs are designed to meet specific needs. The geographic distribution of this funding will be appropriate for the target population. Special programs may include, but are not limited to, transitional housing, permanent supportive housing, housing for households in which one or more members lives with a disability, and emergency shelter. *Applicants who request LTF funds for a special program must demonstrate the need for the type of services proposed in the proposed service area in order to receive 10 points for this scoring criterion.*

APPLICANT CERTIFICATION

_____ (“Applicant”) is submitting an application to the New Mexico Mortgage Finance Authority (“MFA”) for Land Title Trust Funds. Applicant certifies that:

It will abide by all applicable federal and state of New Mexico laws and all applicable statutory, regulatory and judicially created rules and guidelines.

It certifies that it has not been suspended, debarred, or otherwise restricted by any department or agency of the federal government or any state government from doing business with such department or agency because of misconduct or alleged misconduct.

It warrants that it has not made any political contribution or gift valued in excess of \$2,500 (singularly or in the aggregate) made by Applicant or on Applicant’s behalf to any elected official of the State of New Mexico in the last three (3) years.

It warrants that it has no current or proposed business transaction with any MFA member, officer, employee or their employer or other potential conflict which may give rise to a claim of conflict of interest. It warrants that it has no interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this contract.

It warrants that it is an Equal Opportunity Employer, and it complies fully with all government regulations regarding nondiscriminatory employment practices.

It understands that MFA will monitor its performance under and compliance with terms contained in loan agreement(s) resulting from this application. It understands and represents that any contract it enters into with MFA will be binding in all respects.

If a non-profit organization, it warrants that it is registered with New Mexico Attorney General’s office as a charitable organization. (Proof of registration is required.)

I HEREBY CERTIFY THAT ALL INFORMATION PROVIDED IN THE PROPOSAL IS TRUE AND CORRECT, AND THAT I HAVE THE AUTHORITY TO BIND THE APPLICANT TO THE ASSURANCES, AS WITNESSED BY MY SIGNATURE BELOW.

By: _____ Date: _____

Signature

Printed Name

Title

Application Submission Checklist

- Questions 1-7
- Letter of support from title company (if applicable)
- Exhibit 1 – Executive Summary
- Exhibit 2 – Latest external financial audit for most recent fiscal year available and internally prepared financial statements for any fiscal year since then with interim statements dated within 90 days of the application date.
For Non-Profits:
 - (1) proof of 501(c)(3) income tax exempt status,
 - (2) a list of the Board of Directors' names, employers (if applicable), and addresses, and
 - (3) proof of compliance with the Charitable Solicitations Act NMSA 1978, §57-22-1, et. seq. and with the filing requirements by the New Mexico Attorney General's Office under that Act.
- Exhibit 3 – Description of last 12 months' services
- Exhibit 4 – Service area
- Applicant Certification
- Scoring Sheet (complete the "Self-Assessment" column)

Additional Considerations

1. Please note that successful applicants will be required to publicize the Land Title Trust Fund contribution to their projects in marketing materials, press releases, during ribbon cutting ceremonies, etc.
2. MFA encourages successful applicants that require title company services during the course of their projects to engage the services of a title company that participates in the Land Title Trust Fund.