



**HOUSING NEW MEXICO
MORTGAGE FINANCE AUTHORITY
Single-Family Housing Development
Application Packet**

7425 Jefferson St NE
Albuquerque, NM 87109
(505) 843-6880

Introduction to the Housing New Mexico/NM MFA Single-Family Development Program

The purpose of the Single-Family Development Loan Program is to provide flexible funding to produce additional homeownership opportunities in the state. Funds are sourced from both the New Mexico Housing Trust Fund and Primero Investment Fund and are awarded on a competitive basis. The funding may be used to finance the development of subdivision building lots and/or the construction of homes that will provide affordable housing primarily for persons or households of low or moderate income. Currently, single family program beneficiaries may earn up to 150% of the Area Median Income, adjusted for household size. (escalators may be added for designated high cost counties)

Single-Family Housing Development Program Guidance and Information

Applicants may access guidance and information from Housing NM/NM MFA website: <https://housingnm.org>.

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

Board Consideration

All Applications will be considered and acted upon by the Housing NM/NM MFA Board of Directors at a board meeting.

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

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

Funds Availability

There may be a timelapse of at least 30 days from the date of the award until funds can be accessed. During this time frame, loan documents will be prepared by Housing NM/NM MFA, and Applicants are required to submit additional documentation. Subsequently, a loan closing will occur.

Loan Application Process

The Housing NM/NM MFA Single-Family Housing Development Program will operate according to a predetermined, published application timeframe, commensurate with funds availability.

Housing NM/NM MFA will conduct a thorough Application review and make funding recommendations based on the documentation submitted. All Applications will be considered and acted upon by the Housing NM/NM MFA Board of Directors at a Board meeting. Board meeting dates are posted on the Housing NM/NM MFA website.

Complete applications must be received no later than 60 days prior to a regularly scheduled meeting of the Housing NM/NM MFA Board of Directors in order to be considered at that meeting. Meetings of the Housing NM/NM MFA Board of Directors are generally held every third Wednesday of the month. All applications submitted by the deadline for a particular meeting of the Housing NM/NM MFA Board of Directors will be treated as one funding round and evaluated concurrently. All application materials and Notice of Funding Availability (NOFA) are available on Housing NM/NM MFA's website (<https://housingnm.org/funding-opportunities/rfps-rfqs>). The NOFA provides guidance on funding requirements, priorities, and process.

Housing NM/NM MFA at its discretion may accelerate or delay the review of Applications.

No funding wait lists shall be established, and **Housing NM/NM MFA may cease accepting Applications at any time.**

Application deficiencies will be clearly communicated in writing to the applicant. Applicants will have a reasonable period of time to cure any deficiencies. Loan Applications that do not satisfy loan threshold criteria will not be eligible for funding.

Application Format and Supplemental Information

- See **Attachment A. All Applications must be uploaded to Housing NM/NM MFA Secure File Transfer HD system. Housing NM/NM MFA will not accept hard copies of applications.**

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

Technical Assistance

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

Application Questions

Questions regarding Housing NM/NM MFA Single-Family Housing Development Program Applications may be directed in writing to a Housing NM/NM MFA Housing Development Department staff member via email.

Single-Family Housing Development Program Managers:

Justin Carmona

jcarmona@housingnm.org

Housing Development Supervisor

505-532-1856

Clarissa Aragon

caragon@housingnm.org

Development Loan Manager

505-532-1848

Applicant Experience

The Applicant must have experience of building a minimum of 5 single-family homes that have received certificates of occupancy. Experience must be proportional to the number of units being proposed, and financial and background information will be requested.

Construction Start

Applicants for a Housing NM/NM MFA Single-Family Housing Development loan must be ready to close the loan and start construction within **180 days of an award** by Housing NM/NM MFA's Board of Directors. Failure to do so may result in termination of the loan commitment.

Construction Completion

Construction is considered complete when a certificate of occupancy is obtained and provided to Housing NM/NM MFA.

Award Instrument and Terms

Funded Applicants must confirm program participation with signed Loan Agreements and Promissory Notes. General and special conditions will be contained within the Housing NM/NM MFA Single-Family Housing Development Program documents. The maximum loan/contract period is:

- Infrastructure Development Loans: up to five (5) years
- Construction Revolving Line of Credit: up to three (3) years

Housing NM/NM MFA regularly assesses the performance of its Awardees. In cases of non-performance and/or poor performance, Housing NM/NM MFA may, where necessary, call the note. Poor performance and non-performance will include but is not limited to:

- Actual progress varies substantially from the progress updates received.

- Proposed components of the Development have failed to be included in the Development. (e.g. funds were allocated to develop a three-bedroom single family house; developer modifies the proposed idea and begins construction on a two-bedroom single family home.)
- Failure to comply with compliance guidelines which are described herein.

Funded Applications and supplemental information are incorporated and made a part of the loan agreements. As such, they will be used to monitor development activities, implementation schedules, and performance. Requests for consideration of modifications and extensions must be made in writing prior to any changes and/or modifications. Housing NM/NM MFA reserves the right to reject the request for consideration. Requests for Modifications and extensions may be considered on an individual basis, allowing Housing NM/NM MFA to either approve or deny the request. Extensions and/or modifications of loan terms may be subject to Board Approval.

Housing NM/NM MFA Single-Family Housing Development loans will be underwritten with a floor interest rate of 1.00% (based on underwriting standards and risk profile). The term of vertical construction loans will be the earlier of: 1) the sale of all homes or 2) thirty-six (36) months (each individual lien will be released on a pro rata basis as homes are sold). Infrastructure development loans will have a term consisting of the earlier of: 1) the sale and immediate repayment of a preset agreed upon lot release price until all lots are sold or 2) sixty (60) months.

Forms of Assistance

Housing NM/NM MFA Single-Family Housing Development funds for housing construction are intended to provide construction financing only and are extended in the form of collateralized recourse loans.

Maximum Loan Amount

The award amount provided to any Applicant, owner, general partner, developer or combination thereof will be limited by the amount of money available in applicable funding programs at the time. Furthermore, homebuilders will be limited to submitting one application, and will not be able to submit another application until certificates of occupancy are received and submitted to Housing NM/NM MFA, the loan has been repaid, and all other appropriate closeout documentation has been submitted. This does not preclude the applicant from submitting an application for one of Housing NM/NM MFA's other housing development programs. The current per loan/line maximum for each individual project is capped at \$3,000,000. Exceptions to the maximum limit may be considered based on need and available funding.

The Housing NM/NM MFA Single-Family Housing Development Program may provide up to eighty-five percent (85%) of the Total Development Costs (TDC), in the form of a recourse loan to be paid as draw requests are submitted. **The homebuilder must provide 15% of their own money to finance.** Once a draw request is received, Housing NM/NM MFA's Architectural Services Representative will conduct an inspection and document the construction progress. Housing NM/NM MFA staff will review the inspection report and disburse approved draws.

Target Population

The target population is low-to-moderate income New Mexico homebuyers.

Affordability Period

Housing NM/NM MFA shall establish a required affordability period with each successful applicant based on the housing activity, amount of NMHTF financing provided to the project, enforceability, and other considerations that are in compliance with the Affordable Housing Act.

Generally, an approved single-family project will enter into a master Land Use Restriction Agreement (LURA) to ensure each NMHTF-financed lot is sold to an income-eligible buyer. Upon the purchase of a completed home, the homebuyer will also enter into a LURA, which begins a homeowner compliance period. A compliance period is an agreed upon period where if the home is re-sold, the new buyer will meet the income qualifications for NMHTF. If the new buyer does not meet the income requirements, a compliance fee will be imposed as a percentage of net sales proceeds beginning at 50% in the first year and decreasing by 10% annually over the term of the LURA. In no event shall the compliance period be less than five years.

Definition of Rural and/or Tribal Areas

A. Tribal – Projects located on tribal lands, or

B. Rural – Projects located outside of the boundaries of Bernalillo County, the City of Rio Rancho, the City of Las Cruces, and the City of Santa Fe

Financial Assistance for Loan Application Preparation

Housing NM/NM MFA assumes no responsibility for any costs associated with loan Application preparation or submittal of Application.

Prohibited uses of Housing NM/NM MFA Single-Family Housing Development Program funds:

- Funds cannot be used to pay for Development costs outside stated loan/contract periods.
- Funds cannot be used to pay for existing indebtedness.
- Funds cannot be used to pay for any Development that has begun construction prior to application submittal.
- Funds cannot be used to pay for mobile homes of any kind. Infrastructure for mobile home site development and manufactured homes affixed to a permanent foundation will be considered eligible for funding.

Eligible Entities

May include but are not limited to:

Nonprofit organizations, for-profit organizations, governmental housing agencies, regional housing authorities, governmental entities, governmental instrumentalities, tribal governments, tribal housing agencies, builders, single family developers, corporations, limited liability companies, partnerships, joint ventures, syndicates, associations or other entities that can assume contractual liability and legal responsibility by executing one or more written agreements entered into with Housing NM/NM MFA.

Eligible Activities

Eligible funding Activities shall include:

Subject to applicable law, single-family development and construction loans may be used to assist in financing a wide range of activities to provide affordable homeownership opportunities, including costs of on-site infrastructure necessary to support the development of affordable single family building lots and/or the construction of affordable homes. Housing NM/NM MFA encourages contact and inquiries from potential applicants prior to and during application to help assure that proposed activities are eligible.

Minimum Project Size of Five (5) Units

Contractor Profit

- Contractor Fees must not exceed fifteen percent (15%) of the Total Development Costs (TDC).

Program Regulations

Housing NM/NM MFA Single-Family Housing Development Program is not a federal program. However, any application combining resources from a federal program must follow applicable federal regulations for each of the federal sources of funding, in addition to any other laws and regulation that may be applicable.

Other Laws and Regulations

The Applicant, Development Owner, Development Team, Principals of each, and all Affiliates of each must comply with all applicable federal, State, and local laws, rules including, but not limited to, Housing NM/NM MFA rules, regulations, and ordinances. Neither the Applicant, Development, Owner, Development Team, Principals of each, nor shall any Affiliates of each discriminate on the basis of race, creed, religion, national origin, ethnic background, age, sex, familial status or disability in the lease, use or occupancy of the Development or in connection with the employment or application for employment of Persons for the operation and/or management of any Development. The owner(s) of a development will be required to covenant and agree in the Regulatory Agreement to comply fully with the requirements of the Fair Housing Act and the Americans with Disabilities Act as they may from time to time be amended, for the time period as promised in the application.

Application Analysis

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

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

Threshold Criteria

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

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

1. **Applicant Information Form, Applicant Certification and Index of Evaluation Criteria Tabs (sequentially numbered)** - Pages 17-18 of this Application Packet.
2. **Development Description** - Applicant must provide a detailed Development description that describes Development activities and states the essential characteristics of the proposed Development.
 - The units will be owner-occupied for a minimum of five (5) years, which will be enforced by deed restriction.

Documentation Requirements:

- A. Identify the role of the Applicant in the Development (e.g. owner, developer).
- B. Describe the location of the Development (e.g. County, City or Town, street address if known, or general location).
- C. Define the number and type of units. This must include bedroom mix.
- D. Developments must adhere to the New Mexico Uniform Building code as well as meeting applicable construction and design standards established by Housing NM/NM MFA, local, state and federal government entities, as evidenced by architect certification.
- E. Describe the Applicant's 15% upfront equity contribution. If using donated land, an appraisal must be provided.
- F. Describe all funding involved with the Development, including, but not limited to:
 - ◆ Private lending sources
 - ◆ Grants and other federal, State or local government sources
 - ◆ Applicant's own funds

3. **Organizational Structure/Capacity & Management Control** – Applicants must demonstrate both staff and organizational expertise directly related to the type of proposed housing Activity. Additionally, Applicants must have experience of building a minimum of 5 single family homes that have received a certificate of occupancy and experience must be proportional to the number of units being proposed. **Staff may run a credit report (at the expense of the Applicant) for each of the principals of the applicant prior to making an award of funds.**

(SEE SUBMISSION CHECKLIST ON PAGES 21-23)

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

(SEE SUBMISSION CHECKLIST ON PAGES 21-23)

5. **Financial Feasibility and Viability** – Applicants must detail the exact activities and costs to be paid using Housing NM/NM MFA Single-Family Housing Development Program funds. The Application must provide:

Documentation Requirements:

A. Sources

- All proposed sources (private and public) and dollar amounts for each source. All uses of funds associated with the Development.
- Commitment letters with all terms (must include an interest rate or ceiling for variable rates) and conditions for all mortgages, grants, subordination agreements, bridge/interim loans, investment tax credits (historic).

B. Uses of Funds:

- Construction contract or preliminary bid(s).
- If raw land development is involved; cost estimate of infrastructure and committed source of infrastructure funding. Infrastructure development paid for by Single-Family Housing Development Program funds must be directly related to the construction of homes for this program.

C. Development Budget

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

- Construction “hard” costs
- Contractor profit
- Contractors Requirements - detailed breakdown of all costs.
- Contingency - a reasonable hard cost contingency must be included.
- Soft costs (architectural, engineering, legal, appraisal, etc.)
- Marketing costs
- Insurance costs
- Real estate taxes
- Consultant fees
- All other projected costs

Housing NM/NM MFA will review all costs to ensure that they are customary, reasonable and necessary. This will be based on the type of Development Activity and comparable costs in the market area of the proposed Development. Housing NM/NM MFA encourages realistic costs for Developments, while encouraging cost efficient production and shall not give preference solely for lowest construction costs.

If documentation is not adequate and does not support the costs, Housing NM/NM MFA may request additional documentation.

D. Applicant must fully describe the collateral for the Housing NM/NM MFA Single-Family Housing Development Program loan, including the legal description.

E. Cash flow Statement – The cash flow analysis must reflect the following:

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

F. Draws and inspections

1. The construction draw and inspection schedule will be approved by Housing NM/NM MFA. Prior to construction commencement, awardees must provide Housing NM/NM MFA's Architectural Services Representative with the preliminary plans and specifications. Housing NM/NM MFA and its Architectural Services Representative will develop an inspection schedule specific to the development. Draws may be made whenever the work covered by each draw has been inspected and approved by the Architectural Services Representative and Housing NM/NM MFA. Regardless of the inspection schedule initially provided by the Architectural Services Representative, Housing NM/NM MFA may inspect more or less frequently if deemed necessary by Housing NM/NM MFA Staff or Housing NM/NM MFA's Architectural Services Representative. At construction inspections, Housing NM/NM MFA's Architectural Services Representative will inspect for progress related to the draw schedule.

Inspection fees shall be invoiced at \$750 per inspection with a required minimum of three inspections during the project construction period and at completion.

2. Draw Schedule – Below is a sample draw schedule that may be used by the applicant. In any event, Housing NM/NM MFA will conduct a minimum of 3 construction inspections.

Draw 1 (5%) – Pad

Draw 2 (10%) – Floor Slab

Draw 3 (25%) – Framing

Draw 4 (20%) – Dry-in

Draw 5 (10%) – Drywall

Draw 6 (30%) – Finishes/Certificate of Occupancy

G. Applicant must fully describe, in specific detail, the sources and timing of the repayment. All loans are due upon sale of individual housing units.

6. **Development Readiness** – Loan Applicants are reminded that plans and specs submitted as part of the application that is subsequently funded will be incorporated as part of the loan agreement. Therefore, loan Applicants must keep in mind that Development readiness, as stated within funded loan applications, will be used by Staff as a basis for measuring performance. Developments must be ready to begin construction within one hundred eighty (180) days of an award by Housing NM/NM MFA's Board of Directors.

Documentation Requirements:

- A. Site control evidenced by deed, purchase contract, or option to purchase.
- B. Include Development site plan, floor plan(s), and elevations.
- C. Proper zoning in place with documentation including type and authorization date.
- D. Applicants must provide a production/implementation schedule (36-month: vertical construction / 60-month: infrastructure development) that clearly identifies all major phases of the proposed Development.
- E. Closing documents checklist (See Appendix A).

Selection (Scoring) Criteria

Applications will be scored using the Selection Criteria below. Notwithstanding the point ranking under the Selection Criteria, Housing NM/NM MFA's Board of Directors may in their sole discretion award funds to a Development irrespective of its point ranking.

1. Leverage

Total Points Possible: 12

The higher of construction or permanent loan as a percentage of total development cost (TDC) per Housing NM/NM MFA underwriting:

- Zero to 10% = 12 points
- Greater than 10% to 20% = 8 points
- Greater than 20% to 30% = 6 points
- Greater than 30% to 40% = 4 points
- Greater than 40% = 2 points

2. Cost Effectiveness

Total Points Possible: 12

A. Homeownership: Points will be awarded based on how the sales price for Housing NM/NM MFA-funded units compares to the median sales price for the county in which it is located (based on county Average Area Sales Price published by the IRS or other appropriate metrics determined by Housing NM/NM MFA):

- 100 – 110% of median sales price = 6 points,
- Less than 100% of median sales price = 12 points

3. **Need**

Total Points Possible: 12 (partial points allowed)

Based on the degree to which the applicant has demonstrated the need and market for the proposed affordable housing project per information acceptable to Housing NM/NM MFA. Points will be allocated for the following documentation that demonstrates demand for the project:

- Market study = 10 points
- Waiting lists from market comparables = 2 points
- Recent governmental study = 2 points
- Another form of documentation acceptable to Housing NM/NM MFA = up to 12 points

4. **Readiness**

Total Points Possible: 12 (partial points allowed)

Based on the degree to which the applicant has demonstrated readiness to proceed. Points will be allocated for the following documentation:

- Site control = 4 points
- Zoning approval or other proof of permissible zoning = 4 points
- Preliminary site and building design = 4 points

5. **Sustainability & Energy Efficiency (see attachment #1)**

Total Points Possible: 12

A. Homeownership:

- Energy Star certification or LEED certification (of any level) = 12 points
- Other sustainability/energy efficiency certifications or ratings acceptable to Housing NM/NM MFA = up to 12 points

6. **Repayment Term**

Total Points Possible: 10

Full repayment of funds within:

- 20 years or less = 5 points
- 15 years or less = 8 points
- 8 years or less = 10 points

7. **Low Income Targeting**

Total Points Possible: 12

Serving the low and moderate area median income (AMI) households.

A. Homeownership:

- 100% of total units at or below 150% AMI = 8 points or 100% at or below 150% AMI with an additional 15% or more of total units at or below 120% AMI = 12 points

8. **Underserved Populations**

Total Points Possible: 12 (no partial Points)

Twelve points total available for Permanent Supportive Housing, Special Needs, or Senior projects, defined as follows:

- A. Permanent Supportive Housing – Projects that combine housing with voluntary support services that build independent living and tenancy skills to address chronic needs, including housing individuals experiencing homelessness and/or disabled individuals.

B. Special Needs – Projects that received points under the Housing NM/NM MFA Qualified Allocation Plan’s LIHTC Special Needs category when originally funded.

C. Senior – Projects that qualify for an exemption from familial status discrimination under the Fair Housing Act. To qualify for this exemption, Projects must be: (i) provided under any state or federal program that HUD has determined to be specifically designed and operated to assist elderly persons (as defined in the state or federal program); or (ii) intended for, and solely occupied by persons 62 years of age or older; or (iii) intended and operated for occupancy by persons 55 years of age or older in compliance with the Housing for Older Persons Act (HOPA), 24 CFR Part 100 Final Rule.

9. Location

Total Points Possible: 12 (no partial points)

Twelve points total available for Tribal or Rural Housing projects, defined as follows:

A. Tribal – Projects located on tribal lands, or

B. Rural – Projects located outside of the boundaries of Bernalillo County, the City of Rio Rancho, the City of Las Cruces, and the City of Santa Fe

10. New Mexico Non-Profit

Total Points Possible: 6 (no partial points)

Either the borrower or its controlling parent is an eligible New Mexico non-profit organization, tribal entity, or housing authority.

TOTAL POSSIBLE POINTS = 112 (minimum 57 required)

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	Attachment #1 Self-Score Worksheet	Self Score	Housing NM/NM MFA Score
1	Leverage - Maximum points: 12 The higher of NMHTF construction or permanent loan as a percentage of total development cost (TDC) per Housing NM/NM MFA underwriting: Zero to 10% = 12 points Greater than 10% to 20% = 8 points Greater than 20% to 30% = 6 points Greater than 30% to 40% = 4 points Greater than 40% = 2 points		
2	Cost Effectiveness - Maximum points: 12 <i>Homeownership:</i> Points will be awarded based on how the sales price for Housing NM/NM MFA -funded units compares to the median sales price for the county in which it is located (based on county Average Area Sales Price published by the IRS or other appropriate metrics determined by Housing NM/NM MFA): • 100 – 110% of median sales price = 6 points, • Less than 100% of median sales price = 12 points.		
3	Need - Maximum points: 12 (partial points allowed) Based on the degree to which the applicant has demonstrated the need and market for the proposed affordable housing project per information acceptable to Housing NM/NM MFA. Points will be allocated for the following documentation that demonstrates demand for the project: • Market study = 10 points • Waiting lists from market comparables = 2 points • Recent governmental study = 2 points • Another form of documentation acceptable to Housing NM/NM MFA = up to 12 points		
4	Readiness - Maximum points: 12 (partial points allowed) Based on the degree to which the applicant has demonstrated readiness to proceed. Points will be allocated for the following documentation: • Site control = 4 points • Zoning approval or other proof of permissible zoning = 4 points • Preliminary site and building design = 4 points		
5	Sustainability & Energy Efficiency - Maximum points: 12 <i>Homeownership:</i> • Energy Star certification or LEED certification (of any level) = 12 points • Other sustainability/energy efficiency certifications or ratings acceptable to Housing NM/NM MFA = up to 12 points		
6	Repayment Term - Maximum points: 10 Full repayment of NMHTF funds within: 20 years or less = 5 points 15 years or less = 8 points 8 years or less = 10 points		
7	Low Income Targeting - Maximum points: 12 Serving the low and moderate area median income (AMI) households. <i>Homeownership:</i> • 100% of total units at or below 150% AMI = 8 points or 100% at or		

	below 150% AMI with an additional 15% or more of total units at or below 120% AMI = 12 points		
8	Underserved Populations - Maximum points: 12 (no partial points) Twelve points total available for Permanent Supportive Housing, Special Needs, or Senior projects, defined as follows: A. <i>Permanent Supportive Housing</i> – Projects that combine housing with voluntary support services that build independent living and tenancy skills to address chronic needs, including housing individuals experiencing homelessness and/or disabled individuals. B. <i>Special Needs</i> – Projects that received points under the Housing NM/NM MFA Qualified Allocation Plan’s LIHTC Special Needs category when originally funded. C. <i>Senior</i> – Projects that qualify for an exemption from familial status discrimination under the Fair Housing Act. To qualify for this exemption, Projects must be: (i) provided under any state or federal program that HUD has determined to be specifically designed and operated to assist elderly persons (as defined in the state or federal program); or (ii) intended for, and solely occupied by persons 62 years of age or older; or (iii) intended and operated for occupancy by persons 55 years of age or older in compliance with the Housing for Older Persons Act (HOPA), 24 CFR Part 100 Final Rule.		
9	Location - Maximum points: 12 (no partial points) Twelve points total available for Tribal or Rural Housing projects, defined as follows: A. <i>Tribal</i> – Projects located on tribal lands, or B. <i>Rural</i> – Projects located outside of the boundaries of Bernalillo County, the City of Rio Rancho, the City of Las Cruces, and the City of Santa Fe		
10	New Mexico Non-Profit - Maximum points: 6 (no partial points) Either the borrower or its controlling parent is an eligible New Mexico non-profit organization, tribal entity, or housing authority.		
	Total Possible Points = 112 (minimum 57 required)		

Housing NM/NM MFA Single-Family Housing Development Program Application - Attachment A

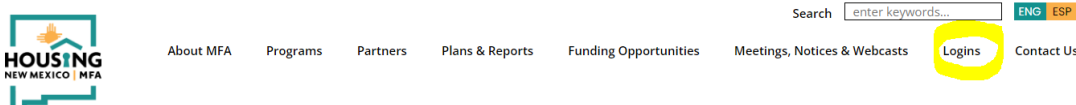
Electronic Application Information

Housing NM/NM MFA is not responsible for any Internet, computer, and uploading, etc. issues.

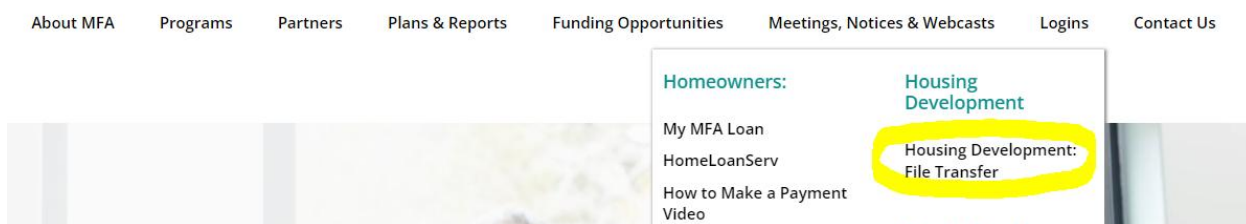
How to upload an application and/or supporting documentation to the Housing New Mexico Secure File Transfer Portal:

Step 1) Please go to the Housing New Mexico website at housingnm.org

Step 2) Click on the “Logins” button on the top right section of the page



Step 3) Click on Housing Development File Transfer Section



Step 4) Another page will pop up for you to either sign in if you have an existing login or you can click on the “New User Registration” at the bottom to request access



If you have any difficulties obtaining access to a specific project, please contact Housing NM/NM MFA’s Housing Development Department staff and we can assist you.

**Housing NM/NM MFA Single-Family Housing Development Program
Applicant Information Form**

Development Name (If applicable): _____

Applicant Name: _____

Address: _____

Phone: _____

E-mail address: _____

Federal Employer Identification Number (EIN): _____

Name of Applicant's Authorized Representative: _____
(Official authorized signatory)

Name of primary contact person: _____

Phone: _____

Address: _____

E-mail address: _____

Political Subdivision: _____ Town _____ City _____ County

☐ Public Trust

☐ Non-Profit organization

☐ For-profit developer

☐ Tribes

☐ Other-Describe _____

Development loan request: \$ _____

Total Number of Units to be Developed _____

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

Location of Development: _____

Congressional District: _____

New Mexico House District Number(s): _____

New Mexico Senate District Number(s): _____

Refer to Separately Provided Underwriting Schedules in EXCEL Format

Instructions are on the first tab. Once complete, insert the EXCEL sheet at the end of this Application.

If the spreadsheets do not work for your project, contact Housing NM/NM MFA Housing Development Department Staff.

Housing NM/NM MFA Single-Family Housing Development Program Application Certification

The Applicant hereby certifies that all of the information contained in this Application for funding through the Single-Family Housing Development Program is true and accurate to the best of my knowledge, and that all documentation supporting the information in this Application is on file in the Applicant's office, available for review by Housing New Mexico / New Mexico Mortgage Finance Authority (Housing NM/NM MFA) Staff during normal business hours.

Additionally, the Applicant understands that failure to provide any of the documentation necessary to support the information in this Application may result in the return of all Housing NM/NM MFA Single-Family Housing Development Program funds, both expended and unexpended.

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

Applicant has read the Housing NM/NM MFA Single-Family Development Program Application Packet and will comply with the rules and requirements of the Housing NM/NM MFA Single-Family Development Program.

Name and Title (Type or Print)

Date

Signature

(SEAL)

State of New Mexico

County of _____

Attest:

Subscribed and sworn to before me _____

Notary Public _____

My commission expires _____

Commission Number _____

Housing NM/NM MFA UNIVERSAL DEVELOPMENT APPLICATION ARCHITECT CERTIFICATION

Architect Certification:

I have examined the drawings and specifications dated _____ prepared by Click or tap here to enter text. and related to the development known as Click or tap here to enter text. located in _____, 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 Housing NM/NM MFA's Mandatory Design Standards for Single-Family Housing.

Based upon examination of the drawings and specifications, all items in the initial Single-Family Housing Development Program Application committed to and overall design elements are incorporated.

Architect Signature (SEAL)

Date

Owner Certification:

Owner certifies that the development will be constructed in accordance with the requirements set forth above.

Owner Signature

Date

Submission Checklist

The following is designed to serve as a general guide to loan Applicants regarding primary and supporting documents to be included in a loan Application for Housing NM/NM MFA Single-Family Housing Development Program funding. Loan Applicants should carefully review all submission requirements within the Application to ensure it is complete.

Attachments must be tabbed and numbered as in this Attachments Checklist. A complete color copy of the Application, including all attachments, in a fully tabbed PDF file format with protected personal information such as Social Security numbers and Board member home addresses, redacted, must be uploaded to Housing NM/NM MFA's Secure File Transfer Website.

ONE COMPLETE APPLICATION

Tab	Document/schedules required for all homeownership applications	Check if Present	Housing NM/NM MFA Use
1	Application checklist	☐	
2	Project Narrative (maximum one page)	☐	
3	Application fee: \$250	☐	
4	Notarized Applicant Certification	☐	
5	One-page summary of Developer's affordable housing experience	☐	
6	Rehabilitation Scope of Work (if applicable)	☐	
7	Organizational Chart for Proposed Project Owner	☐	
8	Homeownership Applicant Information Form	☐	
9	Homeownership Development Schedules A, B, C & D	☐	
10	Single-Family Floorplan Pro Forma	☐	
11	List of full-time staff & sources of funds (nonprofits only)	☐	
12	Resumes of the Development Team (i.e., Developer, Contractor, Architect & Consultant) showing name of firm, contact person, office address & phone number	☐	
13	List of current Board members (nonprofits only) with home addresses	☐	
14	Location map showing proximity to nearest local amenities	☐	
15	ALTA Survey, if available (required prior to close)	☐	
16	Preliminary site plan & landscaping plan	☐	
17	Preliminary outline specifications	☐	
18	Building elevations & floor plans	☐	
19	Architect's Certification of drawings/specifications & compliance with Housing NM/NM MFA's Mandatory Design Standards for Development of Single-Family Units for Homeownership (form available on the website)	☐	
20	Evidence of Site Control (Purchase Contract, Lease Agreement, etc.)	☐	
21	Legal description of site	☐	

Tab	Document/schedules required for all homeownership applications	Check if Present	Housing NM/NM MFA Use
22	Letter from Local Zoning (or Planning) Official stating that Zoning does not Prohibit the Proposed Project and Specifying Other Required Permits	☐	
23	Market study, if available at application, or other proof of demand (Example: Waiting List) as determined necessary by Housing NM/NM MFA (required prior to loan approval). Market Studies must include the Certification of Qualified Professional (which can be found on Housing NM/NM MFA's website)	☐	
24	Phase I Environmental Site Assessment (ESA) & Phase II, if applicable, both updated if more than six months older than application date. If funds are being requested for rehabilitation, contact Housing NM/NM MFA's Regulatory Compliance Specialist for applicability of lead-based paint and asbestos requirements	☐	
25	General Contractor contract, if available (required prior to close)	☐	
26	Letters of interest or Financing Commitments, if available (commitments required prior to close).	☐	
27	Financial Statements: <u>Borrower:</u> N/A if the proposed Borrower is a new entity with no history. <u>Nonprofits & Housing Authorities (includes tribal/ TDHE):</u> CPA-Audited financial statements for the previous two (2) fiscal year ends (unaudited statements are acceptable for the most recent fiscal year if the audit is not yet available) and a year-to-date company prepared financial statement dated within three (3) months of the application. <u>For-Profits Entities:</u> Same as above except that company-prepared or CPA-reviewed statements are acceptable if there are no audits available. For acquisition/rehabs provide the above information for the existing entity. <u>Guarantors:</u> Guaranties acceptable to Housing NM/NM MFA are required if funds are to be used during construction (may be released after completion). Requirements are the same as for Borrower. If CPA-audited or CPA-reviewed statements are not available, then Housing NM/NM MFA may allow the guaranty of an individual. Submit: (a) last 3 years of federal tax returns with all schedules, attachments & K1's, (b) Personal Financial Statement* (HUD form 92417 or equivalent), & (c) Personal Cash Flow statement* <i>*b & c must be signed & dated within 90 days of application date.</i>	☐	
28	Current YTD Financial Statements – including income statement and balance sheet for General Partner(s) (dated within 3 months of application)	☐	
29	Subdivision and Master Floorplan Appraisals (<i>Housing NM/NM MFA to engage appraisers at borrower's expense once complete application received</i>)	☐	
	<u>Organizational Documents of Borrower/Owner/Guarantor if available at application (required prior to close)</u>		
30	Certificate of Incorporation or similar document for LLCs, Partnerships or Tribally Designated Housing Entities	☐	

Tab	Document/schedules required for all homeownership applications	Check if Present	Housing NM/NM MFA Use
31	Articles of Incorporation (Corporations), Articles of Organization (LLCs) or Partnership Agreement (Partnerships) or similar document for Tribally Designated Housing Entities	☐	
32	Bylaws (Corporations), Operating Agreement (LLCs) or similar document for Partnerships or Tribally Designated Housing Entities	☐	
33	Certificate of Good Standing from the NM Public Regulation Commission if a corporation or LLC	☐	
34	Certificate of Existence from the NM Secretary of State if a partnership	☐	
35	IRS Designation Letter Verifying 501(c)(3) or (4) Tax Exempt Status under Code Section 501(a), (if applicable)	☐	
36	Evidence of current registry with the New Mexico Attorney General's Office's Registry of Charitable Organizations (nonprofits only)	☐	
	<u>Program Specific Information</u>		
37	Completed Attachment #1 Self-Score Worksheet	☐	
38	State Tax Credit Program Only – State Tax Credit Application Scoring Worksheet (which can be found on Housing NM/NM MFA's website)	☐	
39	<u>Other Information Submitted by Applicant</u>	☐	

Appendix A – HOUSING NM/NM MFA SINGLE-FAMILY HOUSING DEVELOPMENT PROGRAM LOAN CLOSING REQUIREMENTS

All items below must be received by Housing NM/NM MFA at least 20 business days prior to loan closing. Piecemeal filings will not be accepted. All documents submitted should be tabbed, referencing the item numbers below.

1. Proposed Promissory Note (Housing NM/NM MFA to prepare).
2. Proposed Real Estate Mortgage and Security Agreement (Housing NM/NM MFA to prepare).
3. Proposed Loan Agreement (Housing NM/NM MFA to prepare).
4. Land Use Restriction Agreement (Housing NM/NM MFA to prepare).
5. Guaranty(ies) (Housing NM/NM MFA to prepare).
6. Organization documents specifying type of entity and individuals authorized to sign.
7. IRS EIN Letter of Issuance (SS-4)
8. Certificate of Good Standing; Balance Sheet and Income Statement dated within three (3) months of proposed loan date.
9. Operating Agreements.
10. Copy of Recorded Plat.
11. Address and legal description of each property to be covered by first mortgage.
12. Title Insurance Commitment or Title Opinion (Housing NM/NM MFA to be insured).
13. Proof of site control (purchase contract, purchase option, etc.).
14. Copy of Proposed Deed.
15. Subdivision and Master Floorplan Appraisals (Housing NM/NM MFA to engage at borrower's expense after complete application is received)
16. Phase I Environmental Study (ESA)
17. Flood Certificate for each property. Evidence of Flood Insurance is required for any proposed Development located in a floodplain. (Housing New Mexico can assist with obtaining this at a cost to the borrower)
18. Survey showing access to public streets and utilities.

19. Zoning classification letter from city.
 20. Current construction budget, building timeline, and proposed draw schedule, approved by architects.
 21. Expected sales price.
 22. Construction contracts (general contractor and subcontractor - AIA suggested).
 23. Insurance Certificate for general contractor.
 24. Building Permits.
 25. Bank account wiring information (Account name, Bank name, routing #, Acct #) and Authorization Agreement for Pre-Arranged Deposits (ACH Credit).
 26. Form W-9 completed by the owner.
 27. Proof of insurance for each home/site. Provide evidence of Builder's Risk Coverage, by lot & block or street address, showing amounts and Housing NM/NM MFA as loss payee.
- Such other information as reasonable may be requested by Housing NM/NM MFA.