

**HOUSING FINANCE AUTHORITY OF
PINELLAS COUNTY
AFFORDABLE SINGLE FAMILY/OWNER
OCCUPIED HOUSING DEVELOPMENT
LOAN PROGRAM PROCEDURES**

LENDING PHILOSOPHY

The primary objective of the Housing Finance Authority of Pinellas County, Florida (“HFA”) is to provide for and preserve affordable housing. To this end and in furtherance of Pinellas County’s Community Housing Program, the objective of the HFA’s lending philosophies as it relates to owner occupied single family housing is summarized as follows:

1. To utilize funding in a way that facilitates the successful construction or rehabilitation of affordable housing units that serve the low, moderate, and middle-income families in Pinellas County.
2. To provide financial support to affordable housing units that make a positive social impact as measured by location, quality of housing units, persons served, and other socio-economic measures.
3. To leverage other private and public funding sources to the maximum extent possible.
4. To assist affordable housing units located in areas with a demonstrated need for affordable housing.
5. To assist affordable housing units that preserve existing housing stock through substantial rehabilitation or replace unsafe structures.
6. Preservation of existing single family housing stock through substantial rehabilitation.
7. To combat pockets of poverty by providing home ownership opportunity.

LOAN REVIEW AND APPROVAL PROCEDURES

Loan Review: HFA staff will gather all relevant documents, review materials, and prepare a loan recommendation memo for review by the appropriate approval authority upon submittal of an application substantially in conformity with Exhibit “A”.

Approval Authority: Funding sources for the affordable housing loans include the HFA’s line of credit at the Federal Home Loan Bank of Atlanta (FHLB), housing trust funds allocated to the HFA from Pinellas County, and HFA’s general funds. Utilization of any funding sources available to the HFA will require compliance with the applicable funding sources guidelines and review by staff prior to HFA Board submission and approval. The HFA Board is authorized to

approve affordable housing funding in compliance with the guidelines, procedures and requirements contained herein.

DOCUMENTATION

The HFA will typically require an Affordable Housing Development Agency Agreement, Mortgage, Promissory Note and ancillary collateral documents, which shall be modified to suit a particular structure. Templates of such documents are attached as Exhibit “B”. The HFA reserves the right to require additional documentation on a case-by-case basis. All documentation must comply with the requirements required by the applicable financing source of funds.

Loan Terms. Generally, loans would be made to developers for the construction or rehabilitation of individual single family dwelling units. Project based loans for development of more than one single family residence will also be reviewed and are encouraged. The HFA will consider first mortgage loan financing to facilitate the construction or rehabilitation of a residence, which shall be repaid upon sale to an income qualified buyer. The HFA will also consider a subordinate or second lien position to help facilitate part of the cost of construction or rehabilitation on a case-by-case basis after considering all relevant factors, including the background, experience and financial position of the developer.

Funds advanced by the HFA shall bear simple interest per annum of three percent (3%). The loan will be due and payable in full upon sale of the housing unit to an eligible homebuyer, as described in the Funding Agreement. Generally, the loans shall not have a term that exceeds one (1) year and shall bear default interest of between 5%-10%.

Homebuyer and Affordability Requirements. Housing units constructed or rehabilitated must be sold at a price affordable to eligible homebuyers who meet low, moderate or middle income limitations, as defined in the Funding Agreement. The purchase price of the unit may not to exceed the actual, total cost of developing the unit or the certified appraised value to be determined at the time of the sale of each unit, whichever is less, unless waived by the HFA. All loans, interest rates, fees, points, and any other charges must comply with all applicable state and federal regulations and may not exceed a reasonable market rate for loans of similar maturity, terms and risk. The following additional eligibility requirements also apply: (i) fixed rate mortgages only (no adjustable rate mortgages); (ii) fully amortizing; (iii) no interest only or pay options. All occupants or purchasers of single family dwelling units must meet the income qualification and affordability requirements under the applicable grant or subsidy program from which funding sources are utilized. This may also include income and affordability guidelines established by the HFA.

The HFA reserves the right to waive any of these terms or impose other terms and conditions. This list of terms and conditions is not comprehensive; other terms and conditions may be required by the HFA.

Production Scheduling, Construction Quality and Performance. Construction/rehabilitation must commence promptly to complete HFA financed housing units in a timely manner, while

maintaining quality, to remain in good standing. Time limitations for production and sale of the subject homes are stipulated in the Loan Agreement. Timeliness, product quality and consistent performance are all critical for this Program to be successful. Current plans are to allow up to 120 days for construction/rehabilitation of each housing unit, and an additional 60 days to accomplish the sale of the housing unit to an eligible household.

Other: Other such documentation as may be required to fully analyze and evaluate the proposed development.

Promotion. The HFA requires acknowledgement of their participation or inclusion of the HFA financing in the marketing and other promotional efforts that cite financial supporters of their development(s). The HFA's name (and logo) should be included on development site signage, press releases, funding proposals, and other printed information listing entities supporting the development(s) in a size and type similar to other entities participating in the financing.

Application to the HFA commits the HFA only to consider the application and does not create any rights or privileges by an applicant to a commitment or assurance that the HFA will approve or provide the FHLB Loan.

Non-Binding. These loan procedures do not create a contractual or legal obligation on behalf of the HFA or Pinellas County until definitive agreements are executed. The HFA reserves the right to modify or cancel these loan procedures at any time.

**APPLICATION FOR
HOUSING FINANCE AUTHORITY
OF PINELLAS COUNTY
AFFORDABLE HOUSING DEVELOPMENT
LOAN PROGRAM**

1. Name of Applicant: _____
2. Address: _____
3. Contact Person/Title: _____
4. E-Mail/Telephone/Fax: _____
5. Type of Application: _____ New Construction _____ Rehabilitation _____ Both
6. Amount of Funding Requested: _____
7. Total Project Cost: _____
8. Projected # of Persons to be Served: _____
9. Matching Funds/In-Kind Contributions: _____
10. Location of Proposed Program/Project: _____

To the best of my knowledge and belief, data in this application are true and correct and the governing body of the applicant has duly authorized the document.

Authorized Representative (please print)

Title

Signature

Date

Please provide the following information as an attachment to the application:

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| Tab 1 | Include a brief history of the organization, including the organization's mission and explanation in carrying out the type of activities in the application. |
| Tab 2 | Describe in detail past program/project year's results versus goals. |
| Tab 3 | Describe the community problem or need this program/project is designed to address. |
| Tab 4 | Describe the target population and target service delivery area. |
| Tab 5 | Describe the program/project being proposed. |
| Tab 6 | Describe the staff, volunteers, consultants, or board members who will be directly associated with this program/project and their responsibilities |
| Tab 7 | Please provide a program/project implementation schedule (timeline). List the key steps or activities required for the conduct of the proposed program/project. |
| Tab 8 | Describe how your organization selects consultants and/or contractors. |
| Tab 9 | Describe how the planning and operating of the program/project has been coordinated with other public agencies, private organizations and the community programs to implement to enhance services. Attach letters of support, collaboration and/or coordination. |
| Tab 10 | Describe your marketing plan for the program/project (i.e., identification of marketing agent, process and time frame) |
| Tab 11 | Proposed Budget (see Exhibit A) |

**EXHIBIT A
PROPOSED BUDGET**

Redeveloper: _____

Property Address: _____

Acquisition Cost	\$
Gross Rehabilitation Cost or Construction	\$
a. Permit Fees	\$
b. Architectural Fees	\$
Demolition Cost	\$
Redeveloper's Profit (10% of total development costs)	\$
Financing and Carrying Costs:	
Interest During Construction	\$
- Estimate No. of Months	
- Loan Amount \$_____, Interest Rate ____%	
Taxes During Construction	\$
Title and Recording Fees	\$
Legal Fees	\$
Closing Costs	\$
Appraisals	\$
Utilities	\$
Other (specify)	\$
Total Development Cost	\$
Appraised Value after Rehabilitation/Construction	\$
Net Program Income or Subsidy	\$