Homebuyer Application

GUIDANCE BY TAB (Be sure to **save each Tab before exiting** the Application)

GENERAL INFORMATION

This manual highlights and is a summary of the application, this is not an all-inclusive document.

PROJECT TEAM

Answer each question in this tab to describe the capacity of each team member.

1. **Project Name.** Complete the name of the project. This name will stay with the project throughout the affordability period.
2. **Project Type:** Select acquisition or acquisition/rehab form the dropdown box.
3. **Cities to be Served:** select area of service.
4. **Occupancy Type.** Select from family from the dropdown box.
5. **Total Project Units.** Enter number of homebuyer units that will be assisted.
6. **Type of HOME units.** Select fixed from the dropdown box.
7. **During rehab, the Scope of Work will include Energy Star qualified/labeled products.** Select from the dropdown yes it is a rehab or no it is not a rehab.
8. **Applicant agrees that no HOME funding will be used for the rehabilitation or construction of any freestanding structures, including detached garages and community centers, without prior and written approval from IFA.** Select yes from the dropdown box.
9. **How and by whom will the after-rehab. value be determined.** Input the information in the box provided.
10. **Identify the specific principal loan products to be offered to the homebuyer.** Input the information in the box provided.
11. **Who will provide the required homebuyer education.** Input the information in the box provided.
12. **Provide a narrative that describes the homebuyer education program.** Input the information in the box provided.
13. **Brief description of the project.** Provide a detailed narrative of the project description.
14. **Provide evidence of need for proposed project in narrative form.** Input the information in the box provided with supporting details on the need for the local area supporting the need for homeownership.
15. **Provide local support for the project.** Describe.
16. **Webinar.** Did a member of the applying entity attend or view the HOME Application webinar. **(Applicants are required to view the webinar. A recording will be posted on the HOME resources page)**

SUBRECIPIENT ORGANIZATION

Organization
Organizatoin Name: Name subrecipient organization, address, city, state, zip code and telephone number.

General Information

Select Type. From the dropdown box select type of organization your subrecipient is legally formed.

Is the Subrecipient Organization a non-profit. Select yes in the dropdown box.

UEI alpha/digit for subrecipient organization.

Tax Identification Number. Enter tax identification number for the subrecipient organization.

Contact Person. Enter the first and last name of the contact person, address, city, county, state, zip code, phone number and email address. This person will receive all information per application, so please make sure they are available and able to answer questions, IFA may have during review and potential award.

PROJECT TEAM

Enter each team member that will be working with the project. There should be adequate team members involved to ensure the success of the project. Indicate the length of partnership between team members. Be sure to add the authorized signatory for the project. **(Only 1 person per team member type can be listed except for team member type "Other".)**

CAPACITY

1. **Has the Subrecipient Organization previously submitted a State HOME application.** Select yes or no from the drop-down box.

2. **Has the Subrecipient Organization previously received a State HOME award?** Select yes or no form the dropdown box.

3. **List prior Homebuyer HOME funded projects that the Subrecipient Organization has administered in the last five years.** Describe prior Homebuyer HOME project.

4. **Identify current Subrecipient Organization employees who worked on HOME projects listed in question 3 above.** Input information into box provided

5. **Provide a description of any other past programs or projects that the Subrecipient Organization administered which successfully promoted low-income housing within the last five years.** (Exclude HOME Homebuyer Subrecipient projects).

6. **Has the Subrecipient Organization worked on any housing project/program where it had to repay or forfeit any funds awarded by a federal, state, or local program**? Choose yes or no. If yes, please describe.

7. **Has the Subrecipient Organization worked on any housing project/program which currently has an outstanding noncompliance issue for a federal, state, or local program?** Choose yes or no. If yes, please describe.

8. **Has the Subrecipient Organization experienced any turnover in key staff positions in the past two years.** Choose yes or no. If yes, please describe.

9. **Does your staff have experience in advertising, marketing, and/or program management.** Choose yes or no. If yes, enter the experience under the applicable category found in the **"Staffing Experience For Proposed Project"** section'

STAFFING EXPERIENCE FOR PROPOSED PROJECT

INSTRUCTIONS: Enter individual or company information in each area where there is staffing experience.

Type of position held must fall into one of the following defined categories:

STAFF – Staff are full-time employees as defined by the IRS. This does not include Board members, volunteers and consultants who do not have responsibility for day-to-day operations

CONTRACT EMPLOYEES – Contract employees are those individuals who are paid but not entitled to receive benefits.

PARTNERS – Partners are those with a legally or contractually defined role in the control of the project decision making (e.g. tax credit investors, joint ventures, etc.)

OTHERS – Others are consultants, architects, marketing firms, etc.

Advertising/Marketing

Program Management

Compliance (Program regulations & contractual responsibilities)

Program Manager

Determination of HOME Income & Allowances

Financial Management (bookkeeping)

Procurement

Homebuyer Education/Counseling

Environmental/NEPA Experience

Property Inspection Standards

Technical Services (if applicable)

PROJECT TIMETABLE
If awarded funds, project must be completed with 24 months of the executed contract. Insert your time schedule into the project timetable.

FUNDING SOURCES AND MATCH

Funding Sources for Project Costs (These amounts must be included on the BUDGET tab of the application.) List sources of all funds for the proposed project.

Additional Match (Any additional means or sources of value attributed to the project that are non-cash. These amounts should not be included in the BUDGET section of the application.) List additional match that are non-cash and not listed above

BUDGET

Estimated number of households that will be assisted with HOME. Input number.

In the **PROJECT COST BREAKDOWN** table below, a number must be entered in each field even if the number is zero. Also, a minimum amount of $1,000 for down payment assistance is required.

PROJECT COST BREAKDOWN

Hard cost of rehabilitation

Downpayment Assistance

Technical Services

Lead hazard reduction or lead hazard abatement costs

Lead hazard reduction or lead hazard abatement carrying costs

Temporary relocation

In the first column input **Estimated Amount per Unit of HOME Funds; in the second column Total Amount of HOME Funds for All Units; in the last column Amount Funded by Other Sources for All Units.**

Total HOME Project Funds Requested

GENERAL ADMINISTRATION FUNDS BREAKDOWN

Amount Funded by Other Sources

Amount Funded by HOME

TOTAL

Total HOME General Administration Funds Requested

TOTAL HOME FUNDS REQUESTED (Project & General Administration)

TOTAL PROJECT COSTS (Funding Sources plus Match Not a Funding Source)

EXHIBITS

Upload all exhibits that are required for your project.

REQUIREMENTS

Read and at the bottom of the page check the box that **"I agree"** to the requirements listed on the page.

OVERVIEW

This tab provides a summary of your application from information that was inputted into the application.

ERROR LOG

This provides an analysis of the errors on your application and shows what needs to be corrected before submission.

HOMEBUYER SUBRECIPIENT SCORING

Category 1 – Match (0, 3, 6 or 9 points)
Points will be awarded if the application lists match for the project and the IFA required form for Exhibit H-16 along with the required supporting documentation are provided. The total amount of funding designated as match (as approved by IFA) will be divided by the amount of total HOME funds requested.

1 - 4% eligible HOME Match	0 points
5 - 9% eligible HOME Match	3 points
10 - 14% eligible HOME Match	6 points
15% or more eligible HOME Match	9 points

Category 2 – Project NOT Located in City/Cities that had Completed HOME Homebuyer Units from 10/1/2018 through 10/1/2023 (0 or 5 points)
Points will be awarded if the application shows the project is NOT located in a city/cities that had completed HOME Homebuyer units from 10/1/2018 through 10/1/2023 according to Appendix I.

Category 3 – Capacity (0, 5 or 10 points)
Points will be awarded based on IFA's review of the capacity section of the application.

High Risk Determination	0 points
Medium Risk Determination	5 points
Low Risk Determination	10 points

HOMEBUYER EXHIBITS

Exhibit	Description	Required
H-1	Application Certification – IFA Required Form	Yes
H-2	Assurances Signature Page – IFA Required Form	Yes
H-3	Applicant/Recipient Disclosure/Update Form (HUD2880)	Yes
H-4	W-9 Form (Request for Taxpayer ID # & Certification)	Yes
H-5	Minority Impact Statement – IFA Required Form	Yes
H-6	No Lobbying Certificate – IFA Required Form	Home Request over $100,000
H-7	Disclosure of Lobbying Activities	If applicable
H-8	Local Support	Yes
H-9	Nonprofit Status • IRS letter stating the entity is a qualified nonprofit with a tax-exempt status ruling under 501(c); and • Current good standing letter from the Iowa Secretary of State's Office	If a Nonprofit
H-10	Good Standing from the Secretary of State -Provide a good standing letter from the Iowa Secretary of State's Office (i.e. a Certificate of Existence or a Certificate of Authority).	Yes
H-11	Letters of support from lending institutions for mortgage financing in conjunction with down payment assistance	If applicable
H-12	Commitment Letters	If applicable
H-13	Market information for proposed project.- IFA Required Form	Yes
H-14	3 Year Balance sheets	Yes
H-15	3 Year Profit and Loss Statements	Yes
H-16	Match documentation – IFA Required Form	**If applicable**

HOMEBUYER APPENDIX LIST

Appendix	Description
A	Tip Sheet & Links
B	Match Contribution Information
C	Restrictions on Lobbying
D	Providing Audits – Nonprofit
E	Appraisal Information
F	Iowa's Minimum Housing Rehabilitation Standards
G	Lead Based Paint Requirements
H	HOME Administration Funds
I	Cities with Completed HOME Homebuyer Units from 10/1/2018 to 10/1/2023
J	Iowa HOME Homeownership Limits
K	Technical Services

HOMEBUYER THRESHOLD CHECKLIST

Code Reference	Description	Required
Application	<u>Complete Application</u>	Yes
Application	<u>Compliance with IFA Programs</u> IFA determines, at its discretion, whether the Subrecipient or partners listed for the project pass threshold if they are delinquent or out of compliance with another IFA program.	Yes
Application	<u>Flood Zone</u> No assisted unit may be located in an identified or proposed flood zone.	Yes
Application	<u>Repay/Forfeit Funds</u> The Subrecipient Organization has not worked on any housing project/program where it had to repay or forfeit any funds awarded by a federal, state or local program.	Must answer & explain
Application	<u>Underwriting</u> Application met IFA's underwriting standards.	Yes
Application	<u>Down Payment Assistance</u> Down payment assistance per unit is at least $1,000.	Yes
Application	The maximum per unit subsidy for all single-family activities involving rehabilitation is $37,500. The $37,500 per unit limit includes all applicable costs including, but not limited to, the hard costs of rehabilitation or the acquisition subsidy or both; homebuyer assistance activities; technical services costs, including lead hazard reduction carrying costs; lead hazard reduction costs; and temporary relocation. All rehabilitation hard costs funded with HOME funds are limited to $24,999. All applicable technical services costs, including any lead hazard reduction carrying costs, are limited to $4,500 per unit.	Yes
Application	Assistance for single-family housing activities providing acquisition (mortgage buy-down, down payment or closing costs assistance or both, or combinations thereof) is limited to $35,000 per unit, inclusive of all costs, including technical service costs.	Yes
Application	<u>HOME Subsidy Layering</u> IFA shall evaluate the project in accordance with subsidy layering guidelines adopted by HUD for this purpose.	Yes

Application	Radon All homes must be tested for radon. Radon gas is measured in picocuries per liter (pCi/L) of air. If a home tests at over 4.0 pCi/L or over, a mitigation system must be installed in the house.	Yes
Application	Local Support The application shall demonstrate local support for the proposed activity.	Yes
Application	HOME Certification The application shall include a HOME certification that the applicant will comply with all applicable state and federal laws and regulations.	Yes
Application	Evidence of Need The application shall provide evidence of the need for the proposed activity, the potential impact of the proposed activity, the feasibility of the proposed activity, and the impact of additional housing resources on the existing related housing market.	Yes
Application	Award Limit An award shall be limited to no more than $500,000.	Yes
Federal 24 CFR 92.202	Site & Neighborhood Standards Incorporate the site and neighborhood standards of the HOME Program as an integral part of the project evaluation process to ensure proposed project locations will not contribute to undue concentration of affordable housing in RCAP areas.	Yes
Federal 24 CFR 92.205	Minimum Home Subsidy The HOME subsidy to the project is at least $1,000 per unit.	Yes
Federal 24 CFR 92.217 HOTMA Act of 2016 Sections 102, 103, 104	HOME Income Limits For homebuyer assistance, only households with incomes at or below 80% of the AMI shall be assisted. Any contract signed after January 1, 2024, must follow HUD HOTMA guidelines for income qualifying. The HOTMA regulation was issued by HUD to implement Sections 102, 103, and 104 of the Housing Opportunity Through Modernization Act of 2016. This updates HUD's regulations of income reviews, definitions of income and assets and income determinations for families. Implementation of HOTMA begins January 1, 2024.	Yes
Federal 24 CFR 92.250	GAP Financing The application shall show that a need for HOME assistance exists after all other financial resources have been identified and secured for the proposed activity.	Yes
Federal 24 CFR 92.251	Property Standards	If rehab or acq/rehab

| Federal 24 CFR 5.70(c) | All single-family housing involving rehabilitation shall be rehabilitated in accordance with any locally adopted and enforced building or housing codes, standards and ordinances. In the absence of locally adopted and enforced building or housing codes, the requirements of the Iowa Minimum Housing Rehabilitation Standards shall apply (all communities with populations of 15,000 or less).

HUD has recently released the NSPIRE regulations, which replaces the HQS regulations. Implementation will begin with any HOME contract signed after October 1, 2024. | |

Federal 24 CFR 92.254	<u>Maximum Value Limits</u> (i) In the case of acquisition of newly constructed housing or standard housing, the housing has a purchase price for the type of single family housing that does not exceed 95 percent of the median purchase price for the area, as described in paragraph (a)(2)(iii) of this section. (ii)In the case of acquisition with rehabilitation, the housing has an estimated value after rehabilitation that does not exceed 95 percent of the median purchase price for the area, described in paragraph (a)(2)(iii) of this section.	Yes
Federal 24 CFR 92.504	<u>Project Timeline</u> Activity timeline for completing the project is within allowed HUD guidelines.	Yes
State 265-39.3(16)	<u>Eligible HOME Applicant</u> Application is from a qualified, eligible HOME applicant.	Yes
State 265-39.4(16), 39.4(1)	<u>Eligible HOME Activities</u> Funds requested are for an eligible HOME activity/activities.	Yes
State 265-39.6(16), 39.6(1)	<u>HOME Purpose & Consolidated Plan</u> The application shall propose a housing activity consistent with the HOME fund purpose and eligibility requirements and the state consolidated plan.	Yes
State 265-39.6(16), 39.6(2)	<u>Capacity</u> The application shall document the applicant's capacity to administer the proposed activity. Such documentation may include successful administration of prior housing activities...	Yes
State 265-39.6(16), 39.6(2) & IDPH	<u>Lead Based Paint Requirements</u> Applicant agrees to use a Lead Safe Renovator for lead based paint issues. (Only required for pre-1978 buildings)	If pre-1978 project
State 265-39.8(16), 39.8(3)	<u>General Administration</u> Subrecipients shall identify general administration costs in the HOME application. IFA reserves the right to negotiate the amount of funds provided for general administration, but in no case shall the amount for general administration exceed 10% of a total HOME funds award. Only local government and nonprofit recipients are eligible for general administration funds. Subrecipients must certify that all general administrative costs reimbursed by HOME are separate from and not reimbursed by HOME as technical assistance costs.	Only if applying for admin funds

AWARD OF HOME PROJECT

The Iowa Finance Authority Board of Directors shall issue awards for the current funding round at the IFA Board meeting. A ranking list of applications shall be available at that time. The spread sheet is a ranking of all Applicants based upon the final score determined by IFA.

CHDO applications will take precedents over all other applications (at least 15% of the required HUD set-aside)

A written notification of a HOME award or non-award shall be emailed to each Applicant after the IFA Board Meeting.

Disclaimer. This document provides an overview of the HOME online Application and is not all-inclusive or a re-iteration of all requirements. Updates to this manual will be available on the current funding round's webpage. Should an inconsistency be noted between the HOME rules/regulation and this document, the HOME rules/regulations shall prevail.