**Texas Housing Impact Fund**



**Predevelopment Loan Application**

The Texas Housing Impact Fund’s Predevelopment Loan program is a pilot program that provides low cost financing to Central Texas 501c(3) non-profits for predevelopment activities related to affordable housing development. TSAHC will accept applications from borrowers after they have completed an initial phone interview with TSAHC program staff.

Loans can range from $25,000 to $100,000 based on applicant’s demonstrated need. Applications will only be accepted when funds are available. Applicants are required to contact TSAHC program staff before beginning their application in order to ensure that funding is available and to determine if the proposed project meets the Impact Fund’s threshold requirements. In the event funds are no longer available at the time an application is received, the applicant will be notified in writing and all application fees will be refunded.

All housing financed through the Impact Fund must support our charitable mission to promote equal access to safe, decent, and affordable housing. Predevelopment loans may only be used to fund activities that will directly result in the construction, renovation or preservation of affordable housing that either a) provides rental housing opportunities to households earning at or below 60% of the area median income for the Austin metropolitan area, or b) provides homeownership opportunities to households earning at or below 80% of the area median income for the Austin metropolitan area.

Eligible Predevelopment loan activity includes, but is not limited to the following:

* Appraisals
* Architectural Services
* Engineering Services
* Environmental Site Assessments
* Consultant Services not covered by Developer Fees
* Market Studies
* Building Permit, Variance Fees and other Impact Fees
* Site Control – The applicant’s cost for extending purchase agreements including option costs necessary to extend option agreement to the closing target date.

## Office Use Only

|  |  |
| --- | --- |
| Application #: | Application Date: |

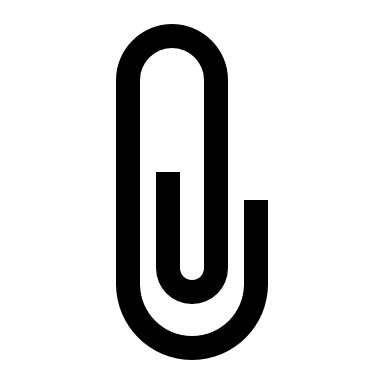
# Applicant Information

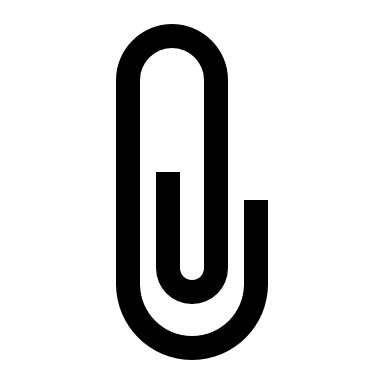
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| --- | --- |
| Name of Project: | |
| Legal Name of Borrower: | |
| Address (Street, City, State & Zip): | |
| Principal Name: | Email: |
| Phone: | Fax: |

## Applicant Structure (check all that apply)

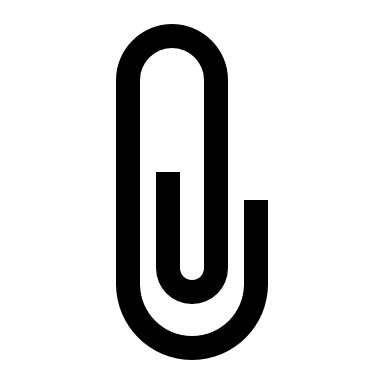
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| --- | --- | --- | --- | --- | --- |
| For Profit | Non-Profit | | Municipal | | Hsg. Authority |
| Corporation | | Ltd. Partnership | | LLC | |
| General Partnership/Joint Venture | | Owner/Builder | | Property Manager | |

*\*Note: Only Non-profit entities are eligible to apply for the Predevelopment Loan Program. Joint Ventures may be eligible, but Applicants are encouraged to discuss this with program staff before submitting their application.*

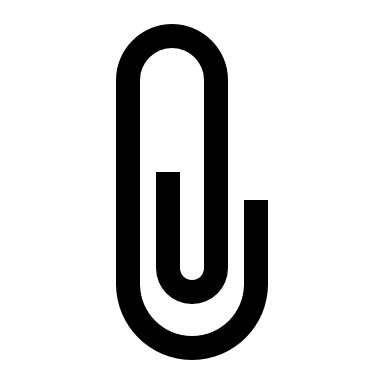
Please attach a copy of the Applicant’s current 501c(3) determination letter from the IRS. 

Experience of Applicant: 

Applicants must provide a narrative describing their experience in residential construction, land development and affordable housing development. Include specifics about previously completed projects, financing used, affordability requirements and a list of at least three references from financial supporters or compliance agencies that have worked with you in the past. If the Applicant is acting only as the developer and will be contracting other services, please provide a list of the proposed contractors, architects, engineers, property managers, and other parties proposed to be involved in the Development.

Financial Strength: 

Borrowers with annual expenditures greater than $750,000 must provide the most recent 2-years of audited financial statements, and year-to-date balance sheet and income statements; Borrowers with annual expenditures less than $750,000 may provide the most recent 2-years of financial statements that include an Independent Accountants’ Review Report, and year-to-date balance sheet and income statements, if audited financials have not been completed.

Community Support: 

Applicants must provide a narrative detailing their efforts to build community support for the proposed Development. Include details of any public hearings, meetings or discussions with community organizations, local governments or stakeholder groups. Applicants should also be prepared to submit any letters of support from political officers or political bodies (i.e. school boards, city councils, county commissions, neighborhood associations, etc…)

# Property/Project Information

|  |  |  |
| --- | --- | --- |
| Name of Property (if apartment complex): | | |
| Location / Address: | | |
| City: | County: | Zip: |
| Census Tract (full 11 digits): |  |  |
| Construction Type: |  |  |
| New Construction | Acq. / Rehabilitation | Rehab Only |

## Project Characteristics:

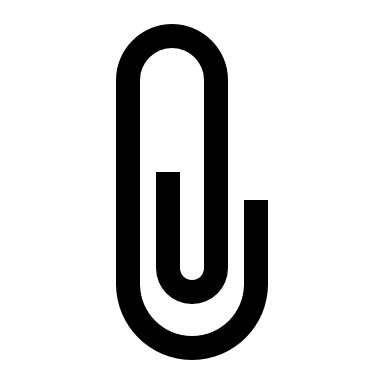
|  |  |
| --- | --- |
| Single Family Homeownership | Single Family Rental |
| Multifamily Homeownership | Multifamily Rental |

## Unit Count and Affordability:

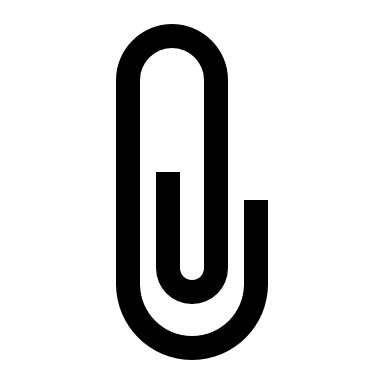
Total Number of Units:

|  |  |  |  |
| --- | --- | --- | --- |
| 30% or <: | 50% or <: | 60% or <: | 80% or <: |

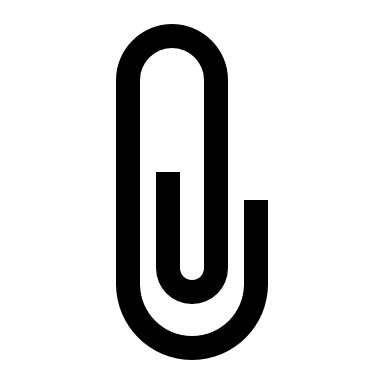
If the proposed project includes other income or occupancy restrictions please note in a narrative attachment.

Project Description: 

A narrative of the planned Development that includes the location, number of units, target population, financial participants and overall plan for the Development including a timeline for completion and total development budget. Provide the site location information including address, legal description, area map, census tract map, flood certification (if available) and evidence of zoning. Applicants may also submit site plans and building specifications for the planned Development.

Project Budget/Financing: 

To determine the viability of repayment for the predevelopment, Applicants must submit a list of each funding source already identified, along with copies of commitment letters or funding agreements already approved. If the funding source has not been applied for, please provide a written explanation of the timeline and anticipated date of award.

Project Ownership: 

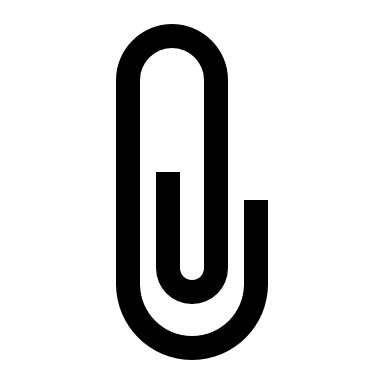
This section provides the basic information and contacts for each entity involved in the ownership of the project. Please include a list of joint venture partners, developers, sponsors, limited partners or other person or entities that will have an ownership interest in the project once completed. If the project involves two or more entities, please include an organization chart with names and percentage of ownership. Contact information for each owner/partner must also be provided.

# Funding Request

The predevelopment loan requires borrowers to pay monthly interest during the term of the loan. The following section requires you to enter the loan amount requested, along with a calculation of monthly interest payments.

|  |  |  |
| --- | --- | --- |
| |  |  | | --- | --- | | Requested Loan Amount: | Interest Rate: 2.5% |   Monthly Payment (= [2.5%/12] \* Loan Amount): |

\*Example: A $50,000 loan will have monthly interest payments of $104.17 ([.025/12]\*50,000)

Please provide a list of proposed predevelopment activities, their anticipated project cost, and timeline (date) for completion. If you have an itemized list in another format, please feel free to submit instead of the table below. 

|  |  |  |
| --- | --- | --- |
| Predevelopment Activity | Budgeted Cost | Anticipated Completion Date |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

# Certifications

* Applicant and Applicant’s principal(s) shall be held to all representations made in this application.
* Applicant and Applicant’s principal(s) certify to the best of their knowledge that all previously owned and/or developed affordable housing properties are compliant with all federal, state, or local affordable housing program(s) from which their Developments received funding.
* Applicant and Applicant’s principal(s) certify that the proposed Development will:
  + Reserve for-sale housing units for a minimum number of households earning 80% or less than the AMI (“Qualified Households”) based on the percentage of funds provided by TSAHC, the nature of the investment, and any other factors TSAHC deems necessary (the “Affordability Requirements”.)
  + Reserve at least 20% of the total units in the Development for persons or families earning 50% of the AMI based on the size of the unit and number of persons occupying the unit; or reserve at least 40% of the total units in the Development for persons or families earning 60% of the AMI (“Very Low-Income”), as determined by HUD, based on the size of the unit and number of persons occupying the unit.
  + All housing developed, regardless whether the buyer is a Qualified Household or not, must be financed with fixed rate loans. No homes may be sold with the use of non-profit or developer grants or down payment assistance that exceeds 5% of the appraised value of the home, unless otherwise approved in writing by TSAHC. Borrowers that do not fulfill Affordability Requirements will be subject to additional fees, fines or payments as determined by the loan agreement.
* Applicant and Applicant’s principal(s) certify that they have read and fully understand TSAHC’s loan policies, and that all Development(s) financed by TSAHC will be required to meet TSAHC’s Development standards. You can access TSAHC’s loan policies [here](https://www.tsahc.org/public/upload/files/general/2020_THIF_Guidelines.pdf).
* Applicant and Applicant’s principal(s) certify that it will be responsible for all fees and expenses in connection with this application and any future applications or approvals of any loans associated with this application.
* Applicant and Applicant’s principal(s) understand that this application does not represent a commitment on behalf of TSAHC to participate, fund or loan financial resources to any proposed Development(s). Rather, this is an indication that TSAHC will review and consider the proposed Development(s) for financing subject to the Applicant’s (1) readiness to proceed, (2) compliance with TSAHC’s policies, (3) cooperation in providing any and all requested information, and (4) execution of a final loan commitment by TSAHC.
* Applicant and Applicant’s principal(s) certify that they understand that any preliminary official action of TSAHC, commitment, or award by TSAHC may be terminated by the TSAHC by written notice at any time.
* Applicant and Applicant’s principal(s) certify that the signature below was provided by a person authorized by the Applicant and Applicant’s principal(s) to sign and submit this application.

|  |  |  |
| --- | --- | --- |
| By: (print name of authorized representative) | Signature: | Date: |