

APPENDIX J

TRANSITIONAL HOUSING REVOLVING LOAN PROGRAM INFORMATION



Purpose: The purpose of this loan program is to assist in the development of affordable housing for parents that are reuniting with their children while completing or participating in substance abuse treatment. The loans can be used for the construction period and the permanent loan. This program is administered following the rules established in 265—Chapter 23. *(4% tax credit projects with tax-exempt bond financing are not eligible for this program.)*

IFA will give preference to projects that reunite mothers with the mothers' children, to the extent that the greatest amount of funds can be expended.

Loans under this program for Applicants awarded tax credits who received 30 points for Resident Populations with Special Needs under the Special Needs Target Population of Persons in recovery from chemical dependency; and that are proposing Transitional Housing.

Available Funds: \$1,600,000

Amount of Loan: The maximum loan amount is \$700,000, and the minimum loan amount is \$100,000.

Loan Terms: The maximum loan term and amortization period are each 20 years. Notwithstanding the above, the authority may, at its sole discretion, extend the loan term and amortization period to no more than 30 years. The interest rate is one percent (1%). Loans will be secured by a first mortgage.

Debt Service Ratio: 1.25:1 for IFA's first mortgage (minimum of 1.15:1 overall), as calculated by IFA.

Fees: No additional fees are due at the time of Application. A commitment fee of one percent (1%) and an inspection fee of .5% of the loan amount are due at the time of closing of the construction loan. A commitment fee of two percent (2%) of the loan amount is due at the time of closing of the permanent loan.

Instructions:

If applying for this funding source:

1. Provide Threshold Application with the Transitional Housing Loan listed as a source of funds.
2. Provide Transitional Housing Revolving Loan Program addendum showing an alternative source for the construction and/or permanent loan.
3. Provide Exhibit 1S Comprehensive Supportive Services Plan.