



## Low-Income Housing Trust Fund

**LOW-INCOME HOUSING TRUST FUND PROGRAM (HTF):** HTF provides gap financing for new construction or rehabilitation of vacant, underutilized, or occupied residential property affordable to households that earn up to 90% AMI (80% AMI in New York City) and that may advance one or more of the State Housing Goals. These goals include the redevelopment of State-owned and municipally-owned sites, and developments that meet critical needs in their communities, such as integrated supportive housing, housing opportunity projects, community redevelopment and revitalization, and developments specifically supported by the Regional Economic Development Councils.

Preference in making HTF awards to eligible applicants is given to projects which involve not-for-profit corporations or their wholly-owned subsidiaries. To qualify for this preference, limited partnership or limited liability corporation applicants must demonstrate that the ownership interest of the not-for-profit or its wholly-owned subsidiaries is "at least 50% of the controlling interest" of the partnership or corporation as required by Article XVIII of the Private Housing Finance Law.

Rental properties located within New York City or in municipalities subject to the Emergency Tenant Protection Act of 1974 (ETPA) shall be required to register such units with the HCR's Office of Rent Administration and to comply with, respectively, the rent stabilization laws or ETPA.

Projects seeking to include units above 90% AMI (80% AMI in New York City) and up to 130% AMI are eligible to apply for Middle Income Housing (MIHP) funds subject to the limits specified below, as applicable, and based on demonstrated need for gap financing by HCR underwriting standards.

If HCR determines a proposed project can be accomplished at a lower cost to the State than proposed, fewer funds will be awarded. Actual award amounts must be recommended by HCR staff, and approved by HFA Credit Committee, HTFC and/or HFA Boards, as applicable. Applicants are strongly encouraged to apply for only the funding necessary for the financial feasibility of the project and to leverage funding from non-HCR sources. HCR reserves the right to allocate funding to ensure that the broad range of statewide housing needs are met.

<b>Eligible Uses</b>	<p>Primarily residential rental housing: new construction, rehabilitation, conversion, distressed occupied residential properties the rehabilitation of which would preserve affordable housing serving a population whose housing need would justify its replacement if it ceased to be available; project with fewer than three units where project creates an additional unit.</p> <p>Residential buildings to be rehabilitated may be vacant or distressed; nonresidential space to be converted must be underutilized or vacant prior to application. Up to 50% of an HTF award may be utilized for acquisition. Co-operatives and condominiums are not eligible.</p>
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	<p>Up to 10% of an HTF award maybe used for costs associated with the development of a community service facility.</p> <p>Permanent financing only.</p>
<b>Area Median Income Restrictions</b>	<p>Up to 90% AMI outside of New York City; up to 80% AMI in New York City.</p> <p>HTF may not be used to finance senior units (62+) serving households above 60% AMI.</p> <p>For projects seeking funding under the Middle Income Housing Program (MIHP), at least 10% but no more than 30% of the units within the project must be for households with incomes over 90% AMI (80% AMI in NYC) and up to 130% AMI. HCR will allow a reduced rent burden to encourage middle- and moderate-income households to reside in economically distressed neighborhoods, such as a Qualified Census Tract (QCT) or a project which is a component of a downtown revitalization effort. In such cases, HCR will allow up to a 20% rent advantage for middle-income tenants. For example, if the rent of a MIHP unit is set at an 100% AMI affordability level, it may be rented to households up to 120% AMI. Projects outside of a QCT or which are not a component of a downtown revitalization effort must be able to achieve rents that are affordable to households with incomes over 90% AMI (80% AMI in NYC) in order to access MIHP funding.</p>
<b>Maximum Awards</b>	<p>Up to \$125,000 per residential unit.</p> <p>For MIHP financed units, up to \$140,000 in MIHP per unit in New York City, Westchester, Nassau &amp; Suffolk counties, and up to \$95,000 in MIHP per unit in all other counties.</p>
<b>Interest Rate and Loan Terms</b>	<p>0.5% interest-only. Minimum 30 years, maximum 40 year term.</p>
<b>Eligible Applicants</b>	<p>Municipalities, counties, municipal housing authorities, not-for-profit corporations, charitable organizations, wholly-owned subsidiaries of not-for-profit corporations or charitable organizations, partnerships, certain private developers, and HDFCs. See CPM Section 2.01.03.A for additional requirements.</p>
<b>Regulatory Agreement Requirements</b>	<p>Minimum 30 years, maximum 40 years.</p>

*HCR retains the right to revise this term sheet from time to time and to waive any requirement contained therein, subject to the applicable statutes and program regulations. HCR also retains the right to not award any or all of its funds under this program. All proposals must comply with all applicable federal, state and local laws.*