



Middle Income Housing Program

MIDDLE INCOME HOUSING PROGRAM (MIHP): The Middle-Income Housing Program (MIHP) is designed to provide critical funding for housing projects that serve middle-income households, facilitating vibrant and economically diverse communities across the state. This program specifically targets projects that aim to accommodate households with incomes above 60% to 130% of the Area Median Income (AMI), ensuring a broad spectrum of affordability.

Eligible Uses	<p>For projects applying through the HTFC/DHCR 9% RFP, permanent financing only. For projects applying for HFA 4% LIHTC tax-exempt bond, both construction and permanent financing available.</p> <p>New construction of, or the adaptive reuse of non-residential property to, affordable housing, or substantial rehabilitation or moderate rehabilitation of site-specific multifamily rental housing.</p> <p>Eligible costs are for site acquisition, hard costs, and related soft costs.</p> <p>If a proposed project includes acquisition costs stemming from the purchase of property owned by a related party of the development team, no consideration to a related party seller (cash out to seller) is permitted. Acquisition costs stemming from the purchase of property owned by a related party of the development team may be returned to the project in the form of a Seller’s Note. A related party is considered related to the purchaser if the relationship between such party and the purchaser is one contained in IRC Sec. 267(b) or 707(b)(1).</p>
Area Median Income Restrictions	<p>For projects seeking funding under the Middle-Income Housing Program:</p> <ul style="list-style-type: none"> • MIHP/HTF in NYC: at least 10% but no more than 30% of units within the project must be designated for households above 80% AMI and up to 130% AMI; • MIHP/HTF outside NYC: at least 10% but no more than 30% of units within the project must be designated for households above 90% AMI and up to 130% AMI; • MIHP/SHOP: at least 10% but no more than 30% of units within the project must be designated for households above 60% AMI (above 80% AMI if 9% LIHTC Average Income is utilized) and up to 130% AMI; • MIHP/SLIHC: at least 10% but no more than 30% of units within the project must be designated for households above 90% AMI and up to 130% AMI; • MIHP/HOME: at least 10% but no more than 30% of units within the project must be designated for households above 60% AMI (above 80% AMI if 9% LIHTC Average Income is utilized) and up to 130%

	<p>AMI;</p> <ul style="list-style-type: none"> MIHP/9% LIHTC: at least 10% but no more than 30% of units within the project must be designated for households above 60% AMI (above 80% AMI if 9% LIHTC Average Income is utilized) and up to 130% AMI.
<p>Rent Advantage for Qualified Projects</p>	<p>HCR will allow a reduced rent burden to encourage middle- and moderate-income households to reside in economically distressed neighborhoods, defined 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 80% AMI affordability level, it may be rented to households up to 100% 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 of at least 80% AMI to access MIHP funding, and the MIHP tenants must pay a minimum of 30% of their income toward gross rent.</p> <p>*To be considered a component of a downtown revitalization plan, the project must:</p> <ul style="list-style-type: none"> Be located in or be complementary* to a NYS designated Downtown Revitalization Plan (DRI) Area/Upstate Revitalization Area (URI)/NY Forward Area or Brownfield Opportunity Area – the project may or may not have NYS REDC funds awarded. *To be considered complementary to the above-mentioned plans, the proposed project must be located within ¼ mile of the plan area. Involve at least one of the following: a) the use or reuse of existing buildings, b) in-fill new construction (In-fill New Construction involves the development of a vacant or underutilized property(ies) within an established, built-up neighborhood or urban area served by existing infrastructure), and/or c) the demolition and replacement of buildings having a negative impact on a community and the rehabilitation of which is impracticable (buildings having a negative impact are defined as abandoned/physically deteriorating/non-code compliant buildings). Applicants can satisfy these criteria with either residential or non-residential buildings.
<p>Per Residential Unit Maximum Award</p>	<p>For MIHP financed units, up to \$200,000 in MIHP per unit in New York City, Westchester, Nassau & Suffolk counties, and up to \$150,000 in MIHP per unit in all other counties. Note that MIHP must be the only source of HCR financing in the unit except for CEI and/or SFA. HCR financing, including subsidy and Federal and State Low Income Housing Tax Credits may not be included in any unit financed by MIHP.</p>
<p>Regulatory Agreement Requirements</p>	<p>Minimum of 30 years or coterminous with LIHTC regulatory term, if applicable.</p>

Interest Rate and Loan Terms	HFA-financed projects: 0.25% interest-only paid during construction and permanent. 0.25% servicing fee paid during construction and permanent. Projects funded through the 9% LIHTC RFP*: 0.25% interest-only paid during permanent. 0.25% servicing fee paid during permanent. All projects: Minimum of 30-year term, maximum of 50 years. *Eligible for HCR Construction Completion Payment (see CPM Section 5.10.01) only if MIHP funds are requested in conjunction with 9% LIHTC/SLIHC
Eligible Applicants	Not-for-profit corporations or charitable organizations, or a wholly owned subsidiary of such corporations or organizations, or private for-profit developers.

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 its funds under this program. All proposals must comply with all applicable federal, state, and local laws.