

Q & A from OHFA Housing Stability Program Training held on June 19, 2024

	Question	Answer
1	Is this program for renters?	This webinar will be primarily for developers and those interested in using Housing Stability Funds for the construction of new housing.
2	Is there any way attendees can receive a copy of the slide deck being presented?	The slide deck, as well as a recording of the webinar, will be available on www.ohfa.org after the webinar has concluded.
3	What are the urban vs rural ratios? So far what urban projects have been awarded in the rental housing program?	The urban / rural split is 25% / 75%. We use the Metropolitan Statistical Area Map and the USDA Rural Eligibility tool to determine if a property is rural. Both can be viewed at https://www.ohfa.org/housingstability/ . Thus far, no urban rental awards have been made.
4	The name of the development would be what?	The development name is determined by the applicant. It can be any name the applicant would like to use as long as the name is consistent. Staff will refer to the project by the name provided throughout the review process.
5	Who can apply?	Any person who meets the liquidity and development experience required can apply. If liquidity or experience are lacking, we also except applications from partnerships.
6	Does zoning need to be fully in place before applying?	Yes, zoning has to be in place prior to applying. This typically comes in the form of a letter from the City or County where the property is located. We will also accept assessor information and clear zoning maps.
7	Is it possible to request HSP in conjunction with previously allocated but not yet in construction phase AHTC application?	Unfortunately, not. If the HSP application is in conjunction with a LIHTC application, both applications must be submitted at the same time / submitted to the same board meeting for approval.
8	I'm not a builder by trade but have property to build on and will hire a licensed builder. I have 30 years of rental property ownership and management. Can I apply?	Construction experience will be needed. If you plan to partner with an experienced builder, you are welcome to apply.
9	Is the Broker's Price Opinion for the Development Site still required for Development description?	Yes, the Broker's opinion is a requirement for all Homebuilder applications. This is initially asked for in the Development Description.
10	Can equity in unrelated assets be used as the 5% outside of the cash brought to the development itself or does this 5% have to be liquid cash?	The 5% equity must be cash or cash equivalents (checking or savings accounts).
11	Just where would we get all this information your asking for? (Market studies)	The information for the market study can be sourced from: City / County websites for demographic information, interviews with property managers in your proposed in the area, and HUD. No sources are barred as long they are reputable.
12	On a per million dollar basis, what do you anticipate this saving developers at current interest rates?	While it is difficult to list a specific dollar amount in cost savings, as the interest rate would likely be different for each borrower based on a myriad of reasons. The 0% interest rate construction loans should provide a significant cost savings which will be passed on to homebuyers/renters in the form of reduced rent rates and sales prices of homes.
13	Can you provide a bank statement or letter from a financial institution showing liquid reserves/cash?	Liquid assets need to be properly documented. CPA documents are preferred but clear and concise bank statements have been considered on past applications. Balance sheets are also preferred.
14	Can the liquid reserves be under personal name versus business name?	If the funds are in a personal name, not the entity name, the individual referenced will be required to be a guarantor to the loan if awarded.
15	Are construction bids only required if you have a contract / partnership with a developer?	That is correct.
16	If infrastructure has already been put in place for a development, are we allowed to request funding for the actual home construction?	The funds are mainly for the construction of the homes. Infrastructure expenses are not a requirement and may not always be applicable to all projects. Only if applicable, the infrastructure expenses must be detailed.



17	anticipated time to get draw funds after home inspection?	We hope to get funds to developers within 5-7 days dependent upon weekends, holidays and an endorsement from the title company we will be using.
18	Does partnerships include subcontractors?	No, this does no include subcontractors.
19	Are we able to apply for both programs?	Yes, you can only have one approved application for each program at any point in time. However, you can have an active award for both the Homebuilder and Increased Housing at the same time.
20	Do developers have to be Oklahoma residents?	No, properties must be developed within the state of Oklahoma but out-of-state developers are welcome to apply.
22	Where could I find someone to complete a market study?	Please reach out to staff. We have a list of ones we have seen on previous applications that we can send you, but OHFA does not have a preferred / endorsed vendor.
23	Is there down payment and closing cost assistance that will be provided for houses built as part of this program?	Yes, that is correct. There is up to 5% downpayment and closing cost assistance associated with this program.
24	Will the rentals be limited to OHFA HAP ?	No, rents will be capped at 125% of HUDs Fair Market Value rents for 3 years.
25	The down payment and closing cost assistance is exclusively for homes built in this program?	Yes, that is correct.
26	can you share the excel spreadsheets you mentioned?	The spread sheets for both programs can be found next to the application at https://www.ohfa.org/housingstability/ .
27	Who do we contact about down payment assistance?	Valenthia Doolin, OHFA's Homeownership Director, can provide information about the down payment assistance program. Ms. Doolin may be reached at (405) 419-8156.
28	Could the total square footage of 1000 sq ft be split between 1 main house 2br 2 bath and tiny home 300sq ft 1 br?	Unfortunately, they cannot. The units must be a minimum of 1,000 sq. ft. each.
29	When does the two year begin?	The 24-month loan period begins on the loan closing date.
30	What about the track record of homes?	Experience must be comparable to the project you intend to complete. For example, if you intend to build 5 homes you must have previously completed at least 5 homes. Any established history of poor performance will be taken into account when staff determines eligibility for a loan.
31	Will credit scores or checks be conducted on applicants?	Yes, these will be completed if funds are awarded.
32	Are you looking for projects that max out the 3mil or several smaller?	\$3 million is the maximum amount that can be loaned. You are welcome to apply for less than the maximum amount if it is not needed.
33	I'm not a certified home builder, just an individual mom and pop! Will this program be a good fit for me?	Any person who meets the liquidity and development experience requirement can apply. If liquidity or experience are lacking, we also except applications from partnerships.
34	Can funds be used for prefabricated homes as rentals?	Yes, as long as they meet all other program requirements such as the square footage and building codes.
35	Does the building permit need to be approved before the loan is approved?	No, it does not.
36	What is the minimum number of homes I can build?	There is a minimum requirement of 5 units per application.