

# 2010 HOME

## Investment Partnerships Program

---

### Homeownership Housing Package

Application Procedures  
Program Guidelines  
Application  
Exhibits and Forms  
Tabs



Prepared by  
The South Carolina State Housing Finance and Development Authority  
300-C Outlet Pointe Blvd., Columbia, South Carolina 29210  
Telephone (803) 896-9001 Fax (803) 896-8583 TDD (803) 896-8831



Revised January 2010

---

## Table of Contents

---

<b>Part 1</b>	<b>Purpose, Definitions and General Rules</b>	
	Purpose.....	1
	Definitions .....	1 - 4
	Eligible Applicants.....	4
	Terms and Limits of Financial Assistance.....	4 - 5
	Completing the Application .....	5 - 6
	Program Suspension and Debarment.....	7
<b>Part 2</b>	<b>Review and Threshold</b>	
	Review Process .....	8
	Threshold Requirements.....	8 - 10
	Point Criteria .....	10 - 12
<b>Part 3</b>	<b>Homeownership Guidelines</b>	
	Amount of HOME Assistance .....	13
	Eligible Properties/Property Location.....	13
	Eligible Homebuyers .....	14
	Resale or Recapture Provisions .....	14 - 15
	Relocation .....	15 - 16
	Owner's Rights.....	16
	Property Standards .....	16
	Construction Requirements .....	17
	Environmental Review Requirements .....	17 - 18
	Lead Based Paint Requirements .....	18 - 19
	Forms of Financial Assistance to Homebuyers.....	19
	Eligible Costs .....	19 - 20
	Other Federal Requirements .....	20
	Monitoring and Compliance .....	20
<b>Part 4</b>	<b>Application</b> .....	1A – 11A
<b>Part 5</b>	<b>Appendices</b> .....	Exhibits, Forms, Tabs

### Purpose and Intent

The Authority's **HOME** Program is designed to promote partnerships among the U.S. Department of Housing and Urban Development (HUD) and other federal entities, state and local governments, and those in the nonprofit and for-profit sectors who build, own, manage, finance, and support low income housing initiatives. **HOME** provides the flexibility needed to fund a wide range of low income housing initiatives through creative and unique housing partnerships. The **HOME** Program was created under Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990.

### Definitions of Terms

**Annual Income** means the gross amount of income of all adult household members that is anticipated in the coming twelve (12) month period. This definition contains "income inclusions" - types of income that can be counted and "income exclusions" - types of income not considered.

**Applicant** means any eligible person or entity, (public or private, for-profit or nonprofit), proposing to acquire, rehabilitate, convert, and/or build housing utilizing State **HOME** program funds.

**Application** means the completed forms, schedules, attachments, and any additional documentation requested in the **HOME** application package including financial statements or audits.

**Application Deadline** means not later than 5:00 p.m., Eastern Standard time on the day the application is due for the appropriate application cycle.

**Application Package** means the forms, tabs and instructions thereto, obtained from the Authority, which will be completed and submitted to the Authority in order to apply for **HOME** Program funds. The application package is adopted and incorporated herein by reference, effective February 17, 2010.

**Application Period** means the period during which the Authority shall accept applications as described in the "Notice of Funding" sent to all individuals on the Housing Development mailing distribution list.

**Application Tabs** means the tabs and form dividers provided by the Authority, which must be used when submitting an application.

**Appraisal** means an estimated value of a piece of property by a licensed real estate appraiser. The three appraisal techniques employed by an appraiser (for the project) to estimate the value of real estate are: market data, income and the cost approach. For appraisals of vacant land the approach used will be market data approach.

**Audit** means a complete and current financial statement that has been audited by a certified public accountant (CPA) licensed by the South Carolina Board of Accountancy. Current means not more than twelve (12) months from the date the audit was performed.

**Authority** means the South Carolina State Housing Finance and Development Authority.

**Community Housing Development Organizations (CHDOs)** means private non-profit organizations that are organized pursuant to the definition in the HUD Regulations.

**Contact Person** means a person with decision-making authority for the applicant, with whom the Authority will correspond concerning the application.

**Conversion** means the transformation/rehabilitation of an existing structure not currently used for housing into affordable housing.

**Developer** means any individual, association, corporation, joint venture, or partnership, which possesses the requisite skills and experience to successfully produce affordable multifamily and/or single-family housing.

**Disabled Person means** a household composed of one or more persons, at least one of who is an adult, who has a disability. A person is considered to have a disability if the person has a physical, mental, or emotional impairment that: 1) is expected to be of long-continued and indefinite duration; 2) substantially impedes his or her ability to live independently; and 3) is of such a nature that such ability could be improved by more suitable housing conditions.

**Division** means the Housing Development Division of the Authority, which administers the **HOME** Program.

**Draw** means the disbursement of funds to a **HOME** project.

**Elderly** means a person sixty-two (62) years of age or older.

**Elderly Household** means a household of one or more persons wherein at least one-half of the residents are elderly.

**Eligible Person or Household** means one or more persons or a family determined by the Authority to be of low or very low income irrespective of race, creed, national origin or sex.

**Family or Family Household** means a household composed of one or more persons.

**Financial Statements** means balance sheet and income and expense statement for the last quarter ending immediately preceding the application deadline. Financial statements may be internally prepared but must include year-to-date and annual information.

**Foreclosed property** which has been defined by HUD as meeting the following parameters: A property "has been foreclosed upon" at the point that, under state or local law, the mortgage or tax foreclosure is complete. HUD generally will not consider a foreclosure to be complete until after the title for the property has been transferred from the former homeowner under some type of foreclosure proceeding or transfer in lieu of foreclosure, in accordance with state or local law (short sells are not considered eligible foreclosed properties under this definition). Determinations of eligibility as foreclosed will document that it was transferred from the former homeowner under foreclosure proceedings. The following are considered to be acceptable to document foreclosure status: (1.) Order of Sale, (2) Master's Report, or (3.) Deed (New Deed, Master's Deed, Clerk of Court Deed, Master's in equity Deed, or Special Referees Deed).

**General Contractor** means a duly licensed entity or individual licensed by the State of South Carolina who agrees, for a specific period, to furnish all materials, labor and services related to the renovation or new construction of a building or buildings.

**HOME or HOME Program** means the **HOME** Investment Partnerships Program pursuant to the HUD Regulations.

**HOME-Assisted Unit** means the specific unit(s) funded with **HOME** funds.

**HOME Note** means a unilateral agreement containing an express and absolute promise to pay to the Authority a principle sum of money for the **HOME** Program loan together with interest on a specified date. The note will provide the interest rate and will be secured by a mortgage.

**HOME Project** means any project, which receives financial assistance from the Authority under the **HOME** Program. A project is a site or sites together with any building or buildings located on the site(s) that are under common ownership, management and financing and are to be assisted with **HOME** funds as a single undertaking under this part. The project includes all the activities associated with the site and building.

**HUD** means the United States Department of Housing and Urban Development.

**HUD Regulations** means the regulations of HUD in 24 CFR Part 92 (1991) issued under the authority of Title II of the National Affordable Housing Act of 1990.

**Income Certification** means all households that receive **HOME** assistance must be income eligible as defined in 24 CFR Part 5. **HOME** income certifications may be dated not earlier than six (6) months prior to eligibility. Certification involves types of income that can be counted, evaluating the income and verifying the income through third parties.

**Infill housing** is the insertion of additional housing units into an already approved [subdivision](#) or neighborhood or the use of vacant land and property within a built-up area for further construction or development, especially as part of a neighborhood preservation or limited growth program. These can be provided as additional units built on the same lot, by dividing existing homes into multiple units, or by creating new residential lots by further subdivision or lot line adjustments. Units may also be built on vacant lots. Infill housing does not include creating housing in large vacant areas where housing, public facilities or business do not already exist.

**Letter of Commitment** means an executed original letter or contract from the funding source verifying that the applicant has a commitment of funds for the project. This letter or contract must be dated within ninety (90) days of the **HOME** application submission deadline if submitted with the application. This letter must include the amount of funds, any condition and their expiration, whether funds will be provided as loans or grants, loan to value ratios, term and interest rate for loans.

**Leveraged Resources** means cash, waivers, land equity, confirmed loan commitments or project specific donations that, at a minimum, are equal to ten percent (10%) of the **HOME** funds provided for down payment and closing costs. No Authority administered program funds may be used to meet the PJ match requirement.

**Local Government** or **Unit of Local Government** means any county, city, town, or municipality in the State of South Carolina.

**Low-Income** means income, which does not exceed 80% of the median income for the area, as determined by HUD, with adjustments for family size.

**Needs Analysis** means research done to review market conditions in a specified area and a study of the economic forces of supply and demand and their impact on real estate returns, risks, and values.

**Marketing Plan** means a document that consists of actions to provide information and attract eligible persons from all racial, ethnic, and gender groups in the housing area to the available housing.

**Nonprofit** means a corporation exempt from income tax under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986, as amended, and registered with the South Carolina Secretary of State.

**Note** means a unilateral agreement containing an express and absolute promise to pay to the Authority a principle sum of money for the **HOME** Program loan together with interest on a specified date. The note will provide the interest rate and will be secured by a mortgage.

**Phasing/Subdividing** means developing two separate projects proposed for the same target population and within the same market area. Typically, the two proposed projects are adjacent or on the same site.

**Pre-qualified Homebuyers** means an individual or family who has completed a housing counseling course and whose income the applicant has certified according to the federal guidelines for income qualifications and has received preliminary approval from a lending institution for the primary mortgage.

**Project Completion** means that all necessary title transfer requirements and construction work have been performed; the final draw down has been disbursed for the project; and the project completion information has been submitted to and received by the Authority.

**Project Costs** means the sum total of all costs incurred in the development of a project. All costs shall be subject to the approval by the Authority as reasonable and necessary.

**Vacant properties** include both vacant structures (residential or commercial) and vacant land that are unoccupied and not in use (free from any activity).

**Very Low-Income** means income, which does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for family size.

## **Eligible Applicants**

Eligible applicants include Units of Local Government (cities, counties, and towns), Public Housing Authorities, Community Housing Development Organizations (CHDOs), and Nonprofit entities.

**NOTE: CHDOs must be state designated CHDOs at the time of application to receive operating funds.**

## **Terms and Limits of Financial Assistance**

**HOME** funds are available for down payment, closing costs, acquisition and/or rehabilitation (of existing properties), and new construction.

The following subsidy amount cannot be exceeded in any one **HOME** assisted unit:

- Maximum program award up to \$300,000.
- Maximum **HOME** Subsidy per unit: \$20,000.
- Project delivery costs may not exceed \$1,500 per unit (this is not counted toward the maximum per unit amount). Project delivery cost is provided based on the following:
  - a. Applicants awarded **HOME** funds that provide a minimum of 8 hours face to face housing counseling for down payment and closing cost will receive a maximum of \$750 per unit.
  - b. Applicants awarded **HOME** funds that provide a minimum of 8 hours face to face housing counseling for down payment and closing cost in conjunction with new construction or rehabilitation will be provided a maximum of \$1,500 per unit.
- Any combination of **HOME** and other Authority funds for homeownership may not exceed the \$20,000 per unit subsidy limit (excluding project delivery cost).
- Construction financing (rehabilitation or new construction) at 0% interest is available for all eligible applicants. The Authority requires that any remaining **HOME** construction financing

funds received at closing be used within a (3) three month period from the date of closing to construct the next unit.

**HOME** funds requested must equal the amount of subsidy per unit requested when applying for total grant amounts (i.e. if requesting \$300,000 for a maximum HOME subsidy per unit the applicant would be providing (15) fifteen HOME assisted units).

**Designated Community Housing Organizations (CHDO) Operating Funds:**

CHDOs awarded 2010 **HOME** project funds are eligible to receive operating funds. Operating funds are awarded based on the amount of available operating funds. CHDOs receiving less than or equal to \$100,000 in a **HOME** award, may receive operating funds up to 50% of the amount of the project funds awarded. CHDOs that are awarded more than \$100,000 in project funds may receive up to \$50,000.

**Completing the Application**

All applications must be received not later than 5:00 pm, Eastern Standard Time, on **March 26, 2010**. **Applications received after the deadline will not be considered and will be returned to the applicant.**

Before preparing the application, review the appropriate guidelines, thresholds and criteria that the Authority will use to accept and fund homeownership applications.

**Incurring Cost**

Any cost incurred by the applicant in the preparation, transmittal, or presentation of any proposal or material submitted in response to this application package shall be borne by the applicant.

**Application Requests**

Applications may be obtained by writing or faxing a request to:

**South Carolina State Housing Finance and Development Authority  
ATTN: HOME Application Package Request  
300-C Outlet Pointe Blvd.  
Columbia, SC 29210  
Fax – (803) 551-4883**

Applications are also available on the Authority's web page at: [www.schousing.com](http://www.schousing.com)

**Time, Place and Method of Submission Delivery**

Applications will be accepted during regular business hours during the cycle. Applications may be delivered by mail, other shipping service, or by hand. Facsimile transmissions **will not** be accepted. Applications should be submitted in a package labeled "**HOME** Program Application" to:

**South Carolina State Housing Finance and Development Authority  
HOME Program Application  
300-C Outlet Pointe Blvd.  
Columbia, SC 29210**

**Submission Format**

Applicants must submit **one (1) original** and **one (1) copy** of the application. In addition to the paper copy Applicants must submit Application (including all exhibits), one electronic version (stored on a readable CD or USB flash drive). If exhibits were created using Microsoft office products such as Word or Excel, respondents should include the actual file(s) in their electronic response. Emailed responses will NOT be accepted. Applications should **not** be bound.

Complete applications must include all pages of the application and all items identified in the *Homeownership Application Tab Checklist*. Applicants are responsible for assembling the Homeownership Applications according to the *Homeownership Application Tab Checklist* located in the Appendix. Applications must include all supporting documentation under the appropriate tabs and must be submitted in the order listed. **All applications must be self-contained. The Authority will not rely on any previously submitted information, written or verbal, to evaluate the applications in any given application period.**

**Submitting the Application**

A nonrefundable \$25.00 processing fee must be submitted along with the application. Make checks payable to the “South Carolina State Housing Finance and Development Authority.” Applications submitted without the processing fee will not be processed or reviewed.

For questions concerning the applications, contact the **HOME** Program staff by phone, fax, or e-mail.

Staff Members	Phone Number	Fax Number	E-mail Address
Nancy Fairley Program Director	(803) 896-9343	(803) 551-4883	nancy.fairley@schousing.com
Fran Ellington Program Manager	(803) 896-9248	(803) 551-4881	fran.ellington@schousing.com
Pat Granger Housing Program Coordinator	(803) 896-9243	(803) 551-4890	pat.granger@schousing.com
Leanne Johnson Housing Program Coordinator	(803) 896-9194	(803) 551-4903	leanne.johnson@schousing.com
Lisa Benfield Housing Program Coordinator	(803) 896-9244	(803) 551-4952	lisa.benfield@schousing.com
Taki Wallace Housing Program Coordinator	(803) 896-9263	(803) 551-4957	keshalontaki.wallace@schousing.com

**Other Information**

1. Revisions made to the 2010 HOME Applications or Manuals will be prepared in the form of a bulletin. Revisions will be posted on the Authority’s web site and disseminated through email. It is the applicant’s responsibility to monitor for any revisions made to these 2010 documents.
2. The Authority reserves the right to:
  - Award applicants less than their funding requests.
  - Reject any and all proposals received.
  - Waive or modify minor irregularities in proposals upon notification to the applicant.
  - Adjust or correct any arithmetical errors in the proposal.
  - Receive clarification from the applicant to ensure an understanding of the Application submitted.
  - Adopt or utilize all or any part of the proposal unless covered by legal copyright, patent or property rights, and Authority is notified in the proposal submission.
  - Negotiate with the applicant to serve the best interest of Authority.
  - All proposals, upon submission to the Authority, shall become Authority property for use as deemed appropriate.
3. Awards under the 2010 **HOME** Program will impose deadlines for committing and expending funds based upon the activity proposed and other information provided in the application. Participant acknowledges time constraints in which to obtain and provide Authority with all required documentation. **Participants requesting extensions will incur a \$500 award reduction for EACH thirty (30) day extension that documentation or project completion is delayed past the original due date**

4. **HOME** awards may be terminated at any time prior to the award expiration date due to the lack of program/project productivity.
5. **HOME** recipients will be required to submit quarterly performance reports on program/project status and activities through project completion.
6. All final financial commitments must be obtained within ninety (90) days from the date of the award letter.
7. Any changes to a program or project after the notice of award must be approved by the Authority.

### **Program Suspension/Debarment**

- 1) Any of the following actions may result in suspension for participating for funding from any of the Authority administered programs for a period of one (1) year:
  - a) Failure to complete a development by the project completion deadline specified in the Contract agreement and implementation schedule will disqualify the applicant for a period of one (1) year.
  - b) Failure to complete or comply with the environmental review requirements as specified by 24 CFR Parts 50 and 58 as amended will result in the disqualification of the applicant for the period of one (1) year.
  - c) Failure to provide **Form M36**, or providing a false or inaccurate certification that a development meets the above standards when, in fact, it does not, will result in the disqualification of the developer and the architect. The Authority will also file a complaint against the architect with the S.C. Department of Labor, Licensing and Regulation.
- 2) Any of the following actions will result in the permanent debarment from participating for funding from any of the Authority administered programs:
  - a) Any Applicant who provides false or misleading information to the Authority with regard to a development seeking **HOME** funds, in any capacity whatsoever, regardless of when such false or misleading information is discovered. Any award received on the basis of such false or misleading information shall be void. Each Applicant shall be given written notice by the Program Director stating the reason for which the sanction of debarment was imposed.
  - b) Any partnership and/or developer agreement, written or otherwise, that attempts to circumvent Authority requirements regardless of when the violation is discovered.

The Authority, in its sole discretion, may determine other acts to be infractions of the program that require suspension or debarment. All suspensions and debarments are conducted as outlined in the South Carolina State Housing Finance and Development Authority's Debarment and Program Suspension Policy.

## Application Review Process, Threshold Requirements and Point Criteria

### Review Process

The **HOME** staff will complete reviews of each application based on the process outlined below:

1. Applications not meeting threshold criteria **or** compliance with federal/state laws, **or HOME** program requirements will be disqualified and returned to the applicant.
2. Authority staff will review applications for completeness. Applicants will be notified of any deficiencies in their applications and will be given the opportunity to correct any correctable items. A list of missing and/or incomplete documents will be provided to the applicant. Applications with **five (5)** or more missing items and/or incomplete items will be disqualified and returned to the applicant. The applicant will have ten (10) business days from the date of notification to provide the missing and/or incomplete documents to the Authority. Failure to return all required documentation and/or information within ten (10) business days will **automatically** disqualify the application from further review.
3. Applications deemed to be financially feasible, require subsidy and are consistent with HOME policies, will be recommended to the Executive Director until available funding is depleted. Any unused funds will automatically be applied to other activities until exhausted. **The Authority staff will exercise sole discretion when deciding whether to accept or reject proposals.**
4. It is anticipated that reservations for **HOME** awards will be issued not later than ninety (90) days after the application deadline a tentative schedule has been provided below:

<b>HOME</b> Application Workshop	February 17, 2010
	February 18, 2010
Final Submission of Applications	March 26, 2010
Complete Initial Reviews for Threshold and Criteria	April 23, 2010
Missing Documentation Notices Sent	April 29, 2010
Missing Documentation Returned	May 9, 2010
Underwriting Review	April 29, 2010 – May 31, 2010
Reservations	June 18, 2010
Implementation	July or August, 2010

### Threshold Requirements

Applicants seeking **HOME** funds for Homeownership activities must meet the following minimum requirements. Applications that do not meet the minimum requirements will be eliminated from further review.

1. Applicants proposing a project in a local Participating Jurisdiction (PJ) and requesting State HOME funds must provide a twenty-five percent (25%) match. The match will be a permanent executed commitment of funds which can be provided by other federal and/or private funds or a local PJ HOME. No Authority administered program funds may be used to meet this match. Applicants proposing projects located in PJ areas **must** provide a signed *Match Certification (provided as Form M33)* and **commitment letter(s) at time of application.** The PJs are:

City of Charleston	Charleston County	City of Greenville
Greenville County	Anderson City/County Consortium	Spartanburg County
City of Columbia	Richland County	City of Spartanburg
Waccamaw Consortium (Horry, Georgetown, Williamsburg)	Beaufort-Jasper Consortium (Beaufort, Jasper, Hampton, Colleton)	Lexington County
Sumter County Regional Home Consortium (Sumter, Lee, Clarendon, Kershaw)	Upper Savannah HOME Consortium (Abbeville, Edgefield, Greenwood, Laurens, McCormick, Saluda)	

2. PJs may not apply for State HOME funds.
3. Outstanding Noncompliance Issues:  
 ANY organization, participating developer(s), general partner(s), or managing members(s) that submit an application which demonstrates the following outstanding noncompliance issues will be automatically disqualified:
  - Uncorrected non-compliance violations with the Authority.
  - Unacceptable, or not in good standing with other Authority administered programs.
  - Debarred from participation in other federal programs (i.e. HUD, RHS, CDBG, HOPWA, ESG etc.).

The **Authority has sole discretion in the** determination of non-compliance and is not subject to interpretation (appeal) or final resolution of the non-compliance violation.

4. Applicants who currently have **HOME** program income or **CHDO program proceeds** are not eligible to apply for additional **HOME** funds until those funds have been expended.
5. Participants with **HOME** awards must meet the required percentage of completion not later than **March 12, 2010**. In order to participate in the 2010 **HOME** cycle previous:
  - 2007 and earlier **HOME** awards **must** be officially closed out; and
  - Those applicants with active open **HOME** awards must be in compliance with executed HOME award agreements by which the required percentage must be completed by **March 12, 2010** in order to participate.

**HOME** awards are considered officially closed out when all construction is completed, certificate of occupancy is issued, and all payments and project completion reports have been processed and approved by the Authority.

The Authority considers **HOME** awards compliant with the “percentage of total project completed” when the project’s construction has met the percentage requirement. To meet this requirement the Authority will consider an Architects signed certification of percentage complete, or a recent inspection (within **30 days** prior to the **March 12<sup>th</sup> deadline**) performed by an Authority inspector.

6. No county, in any given year, can receive more than 50% of the current year’s available homeownership set aside.
7. Applicants applying for homeownership that have related entities, principals, and/or individuals shall not be allocated HOME funds in excess of one (1) award in the state’s 2010 **HOME** fund allocation cycle.

**(See definitions below)**

The intent of the ceiling is to promote fair and objective administration of the **HOME** program by ensuring that no single entity receives an excessive share of the available program funds in any one application cycle. A significant factor in the Authority’s evaluation will be whether, based on the facts and circumstances, the primary purpose of the party’s involvement in a project appears to be avoidance of the maximum.

- **Individual persons** – any individual considered related to each other such as any of the following direct relationships: parent, child, spouse, son-in law, daughter-in law, father-in-law, included any such direct relationship created by marriage, remarriage, adoption, or any other legally recognized status, or if one individual is an employer, by common law or otherwise, of the other.
- **Principal** – any Applicant, owner, developer, guarantor, financial guarantor, or any other person, corporation, partnership, joint venture, or other entity, including any affiliate thereof, or any other person, firm, corporation, or entity of any kind whatsoever that either directly or indirectly receives a portion of the development fee (whether or not deferred) for development services and/or receives any compensation with respect to such development.
- **Related Parties** - Notwithstanding anything to the contrary contained herein, the Authority will not award **HOME** funds to more than three (3) Principal(s) directly or indirectly. Applicants will

be deemed to be related if any Principal of an applicant is also a Principal to any other Applicant.

Regardless of the percentage of participation a Principal has in a development, one hundred percent (100%) of the development's **HOME** reservation will count toward the limitation per Principal.

8. The Authority will not accept applications proposing a development to be subdivided into two (2) or more developments or multiple phases of the same development during the same funding cycle.
9. **HOME** applicants must have a designated **Program Administrator on staff** that will be responsible for coordination of the development, implementation and successful completion of the project.
10. The first mortgage interest rate for the beneficiary to be served shall not be greater than 1.50% higher than the Authority's current MRB program, as of the date of the letter of commitment to the beneficiary.
11. For projects involving relocation, applicants must provide a current certified rent role, completed *Tenant Profile Forms (Form M39)* for each occupied household, **AND** acceptable documentation indicating that *General Information Notices (Exhibits 2 and 3)* have been sent to 100% of the existing tenants. These must be included in the application.

### **Point Criteria –Applicant Experience, Capacity and Program Design**

#### **EXPERIENCE**

This section addresses the experience of the applicant to develop and implement affordable housing programs. Points will be awarded based on the experience and success in developing **HOME** projects or for first time applicants demonstrating experience in developing housing projects similar to that proposed.

1. **HOME** Development Experience – Owners which include individual(s), corporation(s), or in the case of a nonprofit, for-profit, public housing authority's or local governments will receive points for previous development of successful **HOME** properties. The owner may include experience gained as an owner of another firm, not as an employee of another firm. Experience in **HOME** developments means coordinating the development team from the planning, financing and construction of a development through receipt of Certificates of Occupancy. Applicants must have a current ownership interest in the development(s) listed for points on the *Applicant Experience Certification* for points (**Form M34**). Experience will be awarded as follows:

Completed 1 <b>HOME</b> project	2 Points
Completed 2 <b>HOME</b> projects	4 Points
Completed 3 <b>HOME</b> projects	6 Points
Completed 4 <b>HOME</b> projects	8 Points
Completed 5 <b>HOME</b> projects	10 Points

2. **FIRST TIME** applicant demonstrates the ability to implement the projects.
  - a. Applicant demonstrates the ability to manage a similar grant program or other public funds. 3 Points
  - b. Applicant demonstrates a working relationship with a management team/development/consultants/ or firm which has successfully managed a similar grant program or other public funds. 3 Points

#### **PERFORMANCE**

This section addresses the applicant's previous performance in the areas of program schedule, implementation, reporting, and program results, with the State's HOME Program for the **past three years**.

1. Points will be awarded to applicants that have successfully completed HOME projects before or within the original 24 month agreement period. 3 Points
2. Points will be awarded to applicants that have not had funds deobligated or rescinded due to lack of performance. 3 Points
3. Points will be awarded to owners, developers, associates, partners etc. that have not had repeated failures to submit required HOME documentation in a timely manner, serious and repeated violations of program requirements and have never been in default with a loan. 3 Points

### **PROGRAM DESIGN**

This section addresses the applicant's program design.

1. Applicant will receive points for degree of readiness to include the following aspects:
  - a. **Site Control:** Applicant provides a deed. 3 Points
  - b. **Existence of Waiting List: (Form M43)** Applicants will be awarded points that provide evidence of pre-qualified homebuyers. Pre-qualified homebuyers are defined as households that have a received homebuyer counseling certification; have been income qualified; and have received preliminary approval from a lending institution for the primary mortgage. 3 Points
  - c. Applicant provides **Final** Plans/Specifications/Work Write-Ups for review and approval. 3 Points
  - d. Applicant demonstrates that the locality has approved Plans and Specifications. 3 Points
  - e. Applicant demonstrates that utilities are available at the time of application **ON** the site to include water, sewer, and electrical. 3 Points
2. Applicants will be awarded points for Preservation and/or working within current state or local initiatives to include the following:
  - Proposed project will be located in a highly impacted foreclosure area(s) or the project uses foreclosed/vacant property. 3 Points
  - Proposed project located within a current identified master plans, revitalization plans, or empowerment zones. 3 Points
3. Applicant will be awarded points for projects that are designed to provide new construction infill only. Infill construction is defined in the application. 3 Points
4. Applicant will be awarded points for proposed projects that are not seeking **HOME** funds in conjunction with other Authority resources i.e. HTF or HAPP etc. 5 Points
5. Applicant will be awarded points for providing less than \$10,000 **HOME** fund subsidy to beneficiaries. 5 Points

## **FINANCIAL STRUCTURE**

**Commitment of Other Funding Sources:** Applicant has a written commitment from the source(s) at the time of application. The commitments are permanent contributions to the project. Be advised that applicants that are required to provide match will automatically receive these points. Funds from other Authority administered programs cannot be used as match. To receive match points use the *Match Certification (Form M33)*.

Applicant proposes a project not entirely funded with HOME dollars that's financial structure consists of additional sources of funds leveraged from non-Authority administered programs.

Calculation:

***Total HOME and other Authority funds/Total Development Costs = Total Percentage.***

- 25% or less of the Total Development Costs will be funded with Authority dollars. 8 Points
- 50% or less of the Total Development Costs will be funded with Authority dollars. 6 Points
- 75% or less of the Total Development Costs will be funded with Authority dollars. 4 Points

## **GREEN or ENERGY EFFICIENCY DESIGN**

Energy Efficiency element include: (Helpful website [www.energystar.gov](http://www.energystar.gov))

1. Energy Audit Inspection for existing structures. 1 Point
2. Energy Star qualified heat pump, furnace, boiler, air conditioning or ventilation equipment all with Energy Star qualified thermostats for equipment requirement thermostats. 1 Point
3. Energy Star appliances. 1 Point
4. Energy Star qualified lighting or Energy Star label compact fluorescent lamps in conventional fixtures the combination which make up 70 percent of the interior lighting. 1 Point
5. Energy Star qualified windows. 1 Point

### ***Green element includes:***

1. Demolition Plan – Includes recycling, managing waste and hazardous materials. 1 Point
2. Landscaping – Use native plantings, utilize shade, protect trees during construction. 1 Point
3. Green Building Products – Including site design, building materials, renewable energy, Water conservation, healthy home designs. Helpful websites [www.usbgc.org](http://www.usbgc.org) 1 Point
4. Moisture & Mildew – Correct all observed areas and moisture infiltration within the building. Identify remedies and accepted practices for treatment. 1 Point
5. Water Conserving Features – toilets with 1.6 gallons or less per flush, shower heads – 2.0 GPM, bath and kitchen faucets 2.0 GPM or less. 1 Point

---

## Guidelines for Homeownership Program

---

### SECTION 1: Funding Consideration

The South Carolina State Housing Finance and Development Authority (the Authority) will award funds to eligible Applicants for the purpose of funding a Homeownership Program. All funds are subject to the U.S. Department of Housing and Urban Development (HUD) regulations and all other applicable federal and state requirements. A *Homeownership Application Tab Checklist* has been provided to identify the required documentation and its placement in the application package.

### SECTION 2: Amount of HOME Assistance and Related Program Requirements

This section addresses the minimum required and maximum allowable HOME amounts that can be provided as direct subsidy to the homebuyer. Also addressed are applicant and homebuyer responsibilities and requirements that must be met in order to receive HOME funds to include the following:

- The minimum level of **HOME** dollars invested is \$1,000 per **HOME-assisted** unit, including those applicants proposing to participate in down payment or closing cost assistance.
- The maximum level of **HOME** dollars invested cannot exceed \$20,000 per **HOME- assisted** unit.
- Any combination of HOME, Housing Trust Funds or any other Authority funds may not exceed \$20,000 per unit.
- Each homebuyer is required to contribute a minimum of \$100 toward the purchase of their unit.
- The first mortgage interest rate for the beneficiary to be served shall not be greater than 1.50% higher than the Authority's current MRB program, as of the date of the letter of commitment to the beneficiary.
- Down payment assistance and closing cost assistance may be provided to buyers of existing property in need of repair; however, the property must meet all State and local housing standards and code requirements **PRIOR TO CLOSING**.
- Applicants are encouraged to use a Participating Lender through the Authority's Mortgage Revenue Bond Program. A current listing can be obtained on the Authority's website at [www.schousing.com/First-Time\\_Home\\_Buyers/Participating\\_Lending\\_Partner](http://www.schousing.com/First-Time_Home_Buyers/Participating_Lending_Partner).
- This activity is eligible under the CHDO set-aside only if the CHDO acts as developer or sponsor.

#### Property Values:

The value of the property upon completion must not exceed (95%) of the median area value for the type of property being assisted (**See Exhibit 1**). The property value must be supported by a certified appraisal.

### SECTION 3: Eligible Properties

Single family properties eligible for assistance include:

- ✓ Single-family properties  
(*Manufactured housing is prohibited*)
- ✓ Modular homes
- ✓ Condominiums

### SECTION 4: Property Location

No neighborhood or area limitations are established by program statute or regulations. Applicants may request to operate their program in one concentrated neighborhood or throughout the jurisdiction.

## SECTION 5: Eligible Homebuyers

Homebuyers must be low income with gross annual incomes that do not exceed (80%) of median income for the area using the Part 5 Definition, formally referred to the Section 8 Definition. Current **HOME** Income limits can be downloaded from the Authority's web site at: <http://www.schousing.com/index.asp?n=47&p=5&s=47>. An applicant must determine if each family is income eligible by determining the family's annual income. This income must be examined and verified by using third party source documents evidencing annual income (e.g., wage statement, interest statement, and unemployment compensation statement) for the family (**See Form M19**), *Calculating Income*. Eligibility determinations are based on the anticipated income for the upcoming year not based on the earnings of prior years. In addition, **all** homebuyers are required to contribute a minimum of \$100.00 towards the purchase of their unit.

When verifying incomes for potential **HOME** homebuyers, applicants should use the "**Technical Guide for Determining Income and Allowances for the HOME Program**" provided by the U.S. Department of Housing and Urban Development. For a copy of this manual, contact *Community Connections* at 1-800-998-9999. This publication is free. **Note: 2010 Income limits should be available in late March.**

## SECTION 6: Resale or Recapture Provisions

The **HOME** Program is designed to increase the supply of permanent affordable housing over an extended period of time. The period of affordability varies based upon the amount of **HOME** subsidy provided per unit. These minimum periods are as follows:

HOME Assistance Per Unit	Period of Affordability
Under \$15,000	5 years
\$15,000 to \$40,000	10 years
Over \$40,000	15 years

To ensure affordability, the recipient must impose either recapture – **OR** – resale requirements, at time of application for the potential homebuyers they plan to serve.

Applicants awarded HOME funds will be provided the required documents that will be used for the Homeownership Provisions described in this section. The Option 1 and 2 discussed in this section can not be used together. Applicants are required to select the provision that will best work for their proposal submitted.

### OPTION 1

#### **Recapture Provision --- Create Another Affordable Unit by "Recapturing" the HOME Investment**

- The applicant may permit sale of the property with full or partial repayment of the **HOME** assistance.
- An applicant may reduce the **HOME** investment amount to be recaptured on a pro rata basis for the time the homeowner owned and occupied the housing measured against the required affordability period.
- Shared net proceeds: If the entire amount cannot be recaptured plus enable the owner to recoup their down payment and capital investments in the property, the proceeds may be shared based on the following formula:

$$\frac{\text{HOME investment}}{\text{HOME investment} + \text{Homeowner investment}} \times \text{Net Proceeds} = \text{HOME amount to be recaptured}$$

$$\frac{\text{Homeowner investment}}{\text{HOME investment} + \text{Homeowner investment}} \times \text{Net Proceeds} = \text{Amount to homeowner}$$

- The homebuyer may sell the unit to any income person and at any price.

- Recaptured **HOME** assistance must be used by the applicant to assist other low income homebuyers to purchase a unit and the time period for affordability will follow the time periods outlined above.
- **HOME** funds subject to recapture include any project subsidy or direct assistance to the homebuyer that reduced the purchase price from fair market value to an affordable price. **HOME** funds provided as project subsidy above the fair market value are not subject to recapture.

## **OPTION 2**

### **☐ Resale Provision -- Sell the Existing Property to a Subsequent Low-Income Purchaser**

An applicant may choose to restrict the use of the property for the required time period under this option. The subsequent purchaser of the property must be low income and occupy the property as their principal residence.

The sales price of the property to the new low-income family must be at a PRICE which allows for:

- A "fair" return on investment, including any "improvement," to the seller (the former homebuyer); and
- The property must be "affordable" to a "reasonable range of low income purchasers."

"Affordable" is not specifically defined in the **HOME** rules. However, one approach is to assure that monthly payments for **principal, interest, property taxes and insurance** do not exceed:

**Thirty percent (30%) of the gross income of a family with an income that is eighty percent (80%) or less of median income for the area, adjusted for size of family.**

The **HOME** subsidy may be forgiven at the end of the affordability period if the unit has not been sold and the homebuyer has occupied the property as their principal residence.

If **Option 2** is used, the applicant must use deed restrictions, land use or covenants to control the use of the property during the affordability period.

## **SECTION 7: Relocation**

All **HOME** projects are subject to the Uniform Relocation Act (URA). As such, residents that are the legal inhabitants of the project at the time the applicant makes application must be provided certain protections. These include:

- Written notices of the right to remain or the need to relocate;
- Payments of the cost of temporary relocation;
- Payments for those tenants which are required to move permanently.

A resident is considered displaced if they move from the real property, permanently, as a direct result of rehabilitation, demolition, or acquisition of a **HOME-assisted** project.

**NOTE: Relocation requirements shall apply to all residents of a project for which HOME assistance is sought, even if less than (100%) of the units are HOME-assisted.**

A resident is not considered displaced if:

- The resident is evicted for cause, assuming the eviction was not undertaken to evade URA obligations.
- The person has no legal right to occupy the property under State or local law (e.g., squatter).
- The resident moved in after the application was submitted and, before commencing occupancy, was provided written notice of the planned project, the possible impact on the person (e.g., the person

may be displaced, temporarily relocated, or experience a rent increase), and the fact that the person would not qualify as a "displaced person" as a result of the project.

- Others who the Authority (with HUD's approval) determines are not displaced.

### **How displacement may be triggered:**

#### ***Before Application:***

A resident moves permanently from the property before the applicant submits an application for **HOME** assistance and the Authority or HUD determines that the displacement was a direct result of the rehabilitation, demolition, or acquisition of the **HOME** project (e.g., the Authority determines that the applicant displaced resident in order to propose a vacant building for **HOME** assistance).

#### ***After Application or Approval:***

A resident moves permanently from the property after submission of the application because:

- The applicant requires the tenant to move permanently because of unit size or the unit is eliminated;
- The applicant fails to provide timely required notices to the resident;
- The resident is required to move temporarily and the Applicant does not pay all actual, reasonable out-of-pocket expenses or because the conditions of the move are unreasonable;
- The resident moves permanently from the project because the resident is not provided the opportunity to lease a suitable, affordable unit in the project. Such tenants are considered economically displaced;
- Residents receiving temporary relocation assistance for a period beyond one year are considered displaced and are eligible for permanent relocation assistance.

Applicants shall make every effort **NOT** to trigger displacement. Relocation costs can be very expensive. The Authority does not encourage displacement of residents. Applicants should offer the residents the opportunity to lease an affordable suitable unit within the project if possible. Affordable is generally defined as housing payments (rent and utilities) which do not exceed thirty (30%) percent of the resident's adjusted income.

Should relocation occur you must provide the *Tenant Profile Form (See Form M39)* and there must be proof of service of the *General Information Notice* to each tenant (**See Exhibits 2 & 3**). All applicants must submit a separate *Tenant Profile* form for each occupied unit.

All applicants shall become familiar with the URA and 104(d) (Barney Frank) relocation requirements. If there are any questions, contact a **HOME** staff person.

### **SECTION 8: Owner's Rights**

Applicants will be required to provide eligible homeownership applicants all information regarding the resale provisions and any other applicable State laws regarding homeowner rights in writing, and up front. It will not suffice to have these issues incorporated into loan documents or deed restrictions. These issues must be discussed and understood by the potential homebuyer.

### **SECTION 9: Property Standards**

Applicants must adhere to the written standards and specifications developed by the Authority and to all local standards in order to use **HOME** funds for any activity

***Refer to the HOME Construction Manual located at the Authority's web site:***

***<http://www.schousing.com/library/HOME/2009/Construction%20Manual.pdf>***

### **SECTION 10: Construction Requirements**

All applicants whose projects involve new construction must submit detailed preliminary plans, specifications and an independent cost analysis when applying for **HOME** funds. An independent cost analysis or public body estimate by an architect, general contractor or local government personnel who will not bid on the project is acceptable. (**See Form M35 for *Independent Cost Analysis***) All Applicants whose projects involve rehabilitation must submit a preliminary work write-up for each line item and an independent cost analysis or public body estimate.

In all cases, procurement shall be performed when costs exceed \$100,000. If the applicant is the owner, and wishes to act as the general contractor, the Applicant must still adhere to the procurement requirements. Applicants must have an established bid policy they will follow prior to **HOME** award being made.

A minimum of three bids is required. The bids shall be from general contractors who are licensed in the State of South Carolina. All bids shall be submitted with line item costs. The acceptable bid shall be no more than ten percent (10%) higher than the independent cost analysis or the public body estimate. Any exception to the above items shall be approved in writing by the Authority. See the **HOME Construction Manual** for suggested bidding and contractual criteria.

Applicants must have completed an environmental review and received an “Authority to Use Grant Funds” notice from HUD before executing a construction contract, starting construction or taking any physical actions on a site.

If the proposed project is already underway **all work must cease immediately** once the application for **HOME** funds has been made. No work or choice limiting actions may occur after the application date. Work may only recommence after an environmental review has been completed and an “Authority to Use Grant Funds” notification has been received. Projects already underway are only eligible if they were started without the intention of using Federal assistance.

**All HOME-assisted projects containing twelve (12) or more units shall comply with the Davis-Bacon Act.** When **HOME** funds are used in twelve (12) or more units, the applicant must comply with the provisions requiring the payment of not less than the prevailing wages in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act, to all laborers and mechanics employed in the project of any part of the housing. The applicant will be required to enforce labor standards, provide on-site inspections (employee interviews) and process weekly payroll forms.

Each contractor selected to participate in the **HOME** Program shall be cleared by the Authority to ensure that they are not on the list of Parties Excluded from Federal Procurement or Non-Procurement Programs as published by the U. S. General Services Administration and HUD Regional and Field Offices' Limited Denials of Participation lists.

## **SECTION 11: Environmental Review Requirements**

The Authority will commission multiple environmental consultants to prepare environmental reviews for all applications this year. Applicants will be required to submit **Exhibit 5, Forms M37 and M38** so that a project specific environmental review, in accordance with 24 CFR Part 58, as amended, can be completed.

Once HOME awardees have been approved, the Authority will publish NOI/RROFs for CHDOs, non profits, for profits and housing authorities. Local governments are responsible for their own publishing.

**In accordance with 24 CFR Part 58 applicants, recipients, owners, developers, sponsors or any third party partners CAN NOT take any physical actions on a site, begin construction, commit, expend, or enter into any legally binding agreements that constitute choice limiting actions for any HUD or non-HUD funds before the environmental review process has been completed and an “Authority to Use Grant Funds” has been received from HUD. Any violation of the statutory**

**regulation will result in the automatic de-obligation of a HOME award or remove an application from funding consideration.**

For projects involving acquisition, an option agreement on a proposed site or property is allowable prior to the completion of the environmental review **if and only if** the option agreement is conditional in nature so as not to provide legal claim to any amount of HOME funds to be used for the specific project or site until the environmental review process is satisfactorily completed. Sample language to meet this requirement is provided in the *Environmental Review Manual*.

As noted in Section 10, if the proposed project is already underway **all work must cease immediately** once the application for HOME funds has been made. No work or choice limiting actions may occur after the application date. Work may only recommence after an environmental review has been completed and an Authority to Use Grant funds notification has been received. Projects already underway are only eligible if they were started without the intention of using any Federal assistance.

## **SECTION 12: Lead Based Paint Requirements (rehabilitation of existing properties)**

The U.S. Department of Housing and Urban Development (HUD) has issued a new regulation to protect young children from lead-based paint hazards in housing that is financially assisted by the federal government or being sold by the government. The regulation, "Requirements for Notifications, Evaluation and Reduction of Lead-Based Paint Hazards in Federally Owned Residential Property and Housing Receiving Federal Assistance," was published in the Federal Register on September 15, 1999. The requirements apply to housing built before 1978, the year lead-based paint was banned nationwide for consumer use. The regulation sets hazard reduction requirements that give a much greater emphasis than previous regulations to reducing lead in house dust. Therefore, the new regulation requires dust testing after paint is disturbed to make sure the home is lead-safe. Specific requirements depend on whether the housing is being disposed of or assisted by the federal government, and also on the type and amount of financial assistance, the age of the structure, and whether the dwelling is rental or owner-occupied.

### ***Types of Housing Covered***

- Federally-owned housing being sold
- Housing receiving a federal subsidy that is associated with the property, rather than with the occupants (project-based assistance)
- Public housing
- Housing occupied by a family (with a young child) receiving tenant-based subsidy (such as a voucher or certificate)
- Multifamily housing for which mortgage insurance is being sought
- Housing receiving federal assistance for rehabilitation, reducing homelessness, and other special needs

### ***Types of Housing Not Covered***

- Housing built since January 1, 1978, when lead paint was banned for residential use
- Housing exclusively for the elderly or people with disabilities, unless a child under age 6 is expected to reside there
- Zero-bedroom dwellings, including efficiency apartments, single-room occupancy housing, dormitories, or military barracks
- Property that has been found to be free of lead-based paint by a certified lead-based paint inspector
- Property where all lead-based paint has been removed
- Unoccupied housing that will remain vacant until it is demolished
- Non-residential property
- Any rehabilitation of housing improvement that does not disturb a painted surface

Applicants are responsible for reviewing the **HOME Construction Manual** to ensure that the proposed project has met **ALL HOME** Requirements.

## **SECTION 13: Forms of Financial Assistance to the Homebuyer**

The Authority will allow applicants to utilize repayable or deferred loans with **HOME** funds for the Homeownership Program. Applicants may structure their program according to local needs and their ability to service loans. Applicants should clearly describe the term and rate of **HOME** assistance to be provided to homebuyers and conditions under which repayment is required. Applicants must include the following provisions in their **HOME** loan agreement(s):

- Property must be used as their principal residence
- Length of the Affordability Period
- Recapture provision – **OR** – Resale provision

## **SECTION 14: Eligible Costs**

**Project hard costs** -- *The actual construction costs including:*

- Costs to meet Authority construction standards and local code construction standards
- Essential improvements
- Energy-related improvements
- Reduction of lead-based paint hazards
- Improvements for handicapped persons
- Repair or replacement of major housing systems in danger of failure
- General property improvements that are non-luxury improvements
- Demolition costs

**Related soft costs** -- *Reasonable and necessary costs, including:*

- Architectural, engineering or related professional services.
- Financing costs such as private lender fees and loan points; credit and title costs; recordation fees; building permits; legal fees; appraisals; developer fees.
- Relocation costs (permanent and temporary), affirmative marketing and fair housing information services.

### **Acquisition Costs**

Reasonable costs of acquiring improved or unimproved land for new construction or substantial rehabilitation will be considered eligible. **A property appraisal is required to ensure that the potential owner does not purchase the property for more than the fair market value.** An appraisal that is no more than six (6) months old will be considered reasonable.

### **Option and Contract Requirements**

Legally binding agreements such as, real estate options and purchase contracts are subject to the environmental requirements stated in CFR Part 58.22(b) and **must be conditional**, stipulating that the purchase of the property is subject to a determination by the Authority on the desirability of the property for the project as a result of the completion of an environmental review and the cost of the option must be for a nominal portion of the purchase price. If acquiring property, **Exhibit 4** "Notice to Seller" must be completed and submitted with the application.

### **Operational Expenses -- CHDOs Only**

CHDOs **may qualify** for up to fifty percent (50%) or \$50,000 of the total operating budget for the organization. Costs include: salaries, wages, and other employee compensation and benefits; employee education, training, and travel; rent; utilities; communication costs; taxes; insurance; and equipment, materials and supplies. **CHDOs must be state designated CHDOs at the time of application to be eligible to receive operating funds.**

### **Project Termination Before Completion**

If **HOME** funds are expended on a project that is terminated prior to completion, the funds must be repaid to the Authority by the applicant.

## **Prohibited Costs**

- Utility connections – (i.e. Tap Fees, Lift or Pump stations)
- Delinquency's, outstanding judgments or debt
- **Limitations on Actions Pending Environmental Clearance:** HOME funds may not be used to reimburse a non-governmental entity for project-related costs incurred after the entity has submitted an application for HOME funds and before the environmental review process has been completed and approval by HUD of the Request for Release of Funds has been received.

## **SECTION 15: Other Federal Requirements**

Applicants will comply with all other federal requirements as outlined in 24 CFR Part 92, Subpart H which includes: affirmative marketing, equal opportunity and fair housing, environmental review, displacement, relocation and acquisition, labor, conflict of interest, debarment and suspension, flood insurance and Executive Order 12372.

## **SECTION 16: Monitoring and Compliance**

The Authority will monitor recipients for compliance with HOME Program requirements. Program compliance will be assessed through periodic site visits by HOME staff.

## **SECTION 17: General**

No member, officer, agent, or employee of the Authority shall be personally liable concerning any matters arising out of or in relation to, the commitment of HOME Program funds with regard to feasibility or viability of the proposed project.

---

# Homeownership Application

---

---

## Homeownership Appendix

---

### Exhibits

Exhibit 1	Single Family Purchase Price/Value Limits
Exhibit 2	Sample Letter to Tenants/WILL NOT BE DISPLACED
Exhibit 3	Sample Letter to Tenants/TO BE DISPLACED
Exhibit 4	Notice to Seller
Exhibit 5	Environment Checklist

### Forms

Form M33	Match Certification
Form M34	Experience Certification
Form M35	Independent Cost Analysis
Form M36	Developer/Owner Construction Management Certification
Form M37	Environmental Review Information
Form M38	User Questionnaire – Environmental Review
Form M39	Tenant Profile Form
Form M46	Lender Information
Form M19	Calculating Income

### Homeownership Application – Tab Checklist

**Tabs 1-14 (Listing and Description of ALL tabs can be found in this section under Homeownership Tab Check list)**

## Exhibit 1 - Single Family Purchase Price/Value Limits

COUNTY NAME	COUNTY CODE	1-UNIT	2-UNIT	3-UNIT	4-UNIT
ABBEVILLE	001	100,009	128,034	154,763	192,332
AIKEN	003	128,250	164,188	198,465	246,643
ALLENDALE	005	71,860	91,996	111,202	138,197
ANDERSON	007	129,200	165,404	199,935	248,470
BAMBERG	009	88,845	113,741	137,486	170,861
BARNWELL	011	88,964	113,893	137,670	171,090
BEAUFORT	013	228,000	291,889	352,826	438,476
BERKELEY	015	154,850	198,241	239,628	297,798
CALHOUN	017	110,148	141,013	170,452	211,830
CHARLESTON	019	230,848	295,535	357,233	443,954
CHEROKEE	021	132,050	169,052	204,345	253,951
CHESTER	023	85,757	109,787	132,707	164,922
CHESTERFIELD	025	95,021	121,647	147,043	182,739
CLARENDON	027	117,826	150,842	182,333	226,595
COLLETON	029	110,153	141,019	170,459	211,839
DARLINGTON	031	95,950	122,837	148,481	184,525
DILLON	033	92,645	118,606	143,366	178,169
DORCHESTER	035	158,645	203,100	245,501	305,097
EDGEFIELD	037	140,220	179,512	216,988	269,663
FAIRFIELD	039	64,125	82,094	99,232	123,321
FLORENCE	041	128,250	164,188	198,465	246,643
GEORGETOWN	043	218,595	279,849	338,272	420,389
GREENVILLE	045	142,500	182,431	220,516	274,048
GREENWOOD	047	102,600	131,350	158,772	197,314
HAMPTON	049	86,469	110,699	133,809	166,292
HORRY	051	155,955	199,656	241,337	299,923
JASPER	053	109,250	139,864	169,062	210,103
KERSHAW	055	120,795	154,644	186,929	232,307
LANCASTER	057	172,791	221,209	267,391	332,301
LAURENS	059	77,330	98,999	119,667	148,717
LEE	061	78,748	100,815	121,862	151,444
LEXINGTON	063	128,250	164,188	198,465	246,643
MCCORMICK	065	204,057	261,237	315,775	392,431
MARION	067	77,917	99,751	120,575	149,846
MARLBORO	069	71,860	91,996	111,202	138,197
NEWBERRY	071	104,500	133,783	161,712	200,968
OCONEE	073	144,543	185,046	223,677	277,976
ORANGEBURG	075	108,195	138,512	167,429	208,073
PICKENS	077	117,990	151,053	182,587	226,911
RICHLAND	079	137,275	175,742	212,431	263,999
SALUDA	081	140,133	179,400	216,853	269,495
SPARTANBURG	083	114,000	145,945	176,413	219,238
SUMTER	085	117,753	150,749	182,220	226,455
UNION	087	73,522	94,125	113,775	141,394
WILLIAMSBURG	089	75,185	96,253	116,347	144,591
YORK	091	131,100	167,836	202,875	252,124

---

**Exhibit 2 - General Information Notice  
Residential Tenant that WILL NOT BE DISPLACED**

---

**SAMPLE**

GUIDEFORM GENERAL INFORMATION NOTICE RESIDENTIAL TENANT NOT DISPLACED

**Applicant's Letterhead**

**(Date)**

Dear \_\_\_\_\_:

\_\_\_\_\_ (applicant) \_\_\_\_\_, is interested in rehabilitating the property you currently occupy at \_\_\_\_\_ (address) \_\_\_\_\_ for a proposed project which may receive funding assistance from the U.S. Department of Housing and Urban Development (HUD) under the HOME Investment Partnerships Program.

The purpose of this notice is to inform you that you will not be displaced in connection with the proposed project.

If the project application is approved and federal financial assistance provided, you may be required to move temporarily so that the rehabilitation can be completed. If you must move temporarily, suitable housing will be made available to you and you will be reimbursed for all reasonable out of pocket expenses, including moving costs and any increase in housing costs. You will need to continue to pay your rent and comply with all other lease terms and conditions.

Upon completion of the rehabilitation, you will be able to lease and occupy your present apartment or another suitable, decent, safe and sanitary apartment in the same building/complex under reasonable terms and conditions not to exceed the greater of (a) your current rent/average utility costs, or (b) 30% of your average monthly gross household income.

If federal financial assistance is provided for the proposed project, you will be protected by a federal law known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA). One of the URA protections for persons temporarily relocated is that such relocations shall not extend beyond one year. If the temporary relocation lasts more than one year, you will be contacted and offered all permanent relocation assistance as a displaced person under the URA. This assistance would be in addition to any assistance you may receive in connection with temporary relocation and will not be reduced by the amount of any temporary relocation assistance previously provided. You will also have the right to appeal the agency's determination, if you feel that your application for assistance was not properly considered.

**(NOTE: Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional hardship to a qualifying spouse, parent, or child. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.)**

We urge you not to move at this time. If you choose to move, you will not be provided relocation assistance.

**Please Remember:**

- **This is not a notice to vacate the premises.**
- **This is not a notice of relocation eligibility.**

You will be contacted soon so that we can provide you with more information about the proposed project. If the project is approved, we will make every effort to accommodate your needs. In the meantime, if you have any questions about our plans, please contact: (name) \_\_\_\_\_, (title) \_\_\_\_\_, (address) \_\_\_\_\_, (phone) \_\_\_\_\_.

Sincerely,  
(name and title) \_\_\_\_\_

=====NOTES.

1. **The application must include documentation of the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (See Paragraph 2-3 I of Handbook 1378.)**
2. **This is a guideform. It should be revised to reflect the circumstances**

---

**Exhibit 3 - General Information Notice  
Residential Tenant TO BE DISPLACED**

---

**SAMPLE**

GUIDEFORM GENERAL INFORMATION NOTICE RESIDENTIAL TENANT TO BE DISPLACED

**Applicant's Letterhead  
(Date)**

Dear \_\_\_\_\_:

\_\_\_\_\_ (applicant) is interested in \_\_\_\_\_ (acquiring, rehabilitating, demolishing) the property you currently occupy at \_\_\_\_\_ (address) for a proposed project which may receive funding assistance from the U.S. Department of Housing and Urban Development (HUD) under the HOME Investment Partnerships Program.

The purpose of this notice is to inform you that you may be displaced as a result of the proposed project. This notice also serves to inform you of your potential rights as a displaced person under a federal law known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA). You may be eligible for relocation assistance and payments under the URA, if the proposed project receives HUD funding and if you are displaced as a result of acquisition, rehabilitation or demolition for the project.

- **This is not a notice to vacate the premises.**
- **This is not a notice of relocation eligibility.**

If you are determined to be eligible for relocation assistance in the future, you may be eligible for: 1) Relocation advisory services including help to you find another place to live; 2) At least 90 days advance written notice of the date you will be required to move; 3) Payment for your moving expenses; and 4) Replacement housing payments to enable you to rent, or if you prefer to purchase, a comparable replacement home. You will also have the right to appeal the agency's determination, if you feel that your application for assistance was not properly considered. The enclosed HUD brochure, "Relocation Assistance To Tenants Displaced From Their Homes" provides an explanation of this assistance and other helpful information.

**(NOTE: Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional hardship to a qualifying spouse, parent, or child. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.)**

Please be advised that you should continue to pay your rent and meet any other obligations as specified in your lease agreement. Failure to do so may be cause for eviction. If you choose to move or if you are evicted prior to receiving a formal notice of relocation eligibility you will not be eligible to receive relocation assistance. It is important for you to contact us before making any moving plans.

**Again, this is not a notice to vacate the premises and does not establish your eligibility for relocation payments or assistance at this time.** If you are determined to be displaced and are required to vacate the premises in the future, you will be informed in writing. In the event the proposed project does not proceed or if you are determined not to be displaced, you will also be notified in writing.

If you have any questions about this notice or the proposed project, please contact: (name) \_\_\_\_\_, (title) \_\_\_\_\_, (address) \_\_\_\_\_, (phone) \_\_\_\_\_.

Sincerely,  
  
(name and title) \_\_\_\_\_

Enclosure

=====NOTES

1. **The application must include documentation of the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. (See Paragraph 2-3 I of Handbook 1378.)**
2. **This is a guideform. It should be revised to reflect the circumstances.**



---

---

## Exhibit 5 - Environmental Checklist

---

---

Applicant Name: \_\_\_\_\_

Date: \_\_\_\_\_

***Applicants must initial each category to indicate all documents are included and complete. Place all documentation behind Tab 13.***

<b><i>Tab 13</i></b>	<b><i>Attachment Item</i></b>	<b><i>Initial</i></b>
<b>A.</b>	Copy of Deed/Title that includes most recent legal description	
<b>B.</b>	Copy of Site Sales Option	
<b>C.</b>	Map of Site	
<b>D.</b>	Survey	
<b>E.</b>	Plat	
<b>F.</b>	Copy of past Environmental Site Assessment <b>if applicable</b> (Phase I and/or II)	
<b>G.</b>	User Questionnaire	

## Homeownership Application Tab Checklist

Applicant Name: \_\_\_\_\_

Date: \_\_\_\_\_

**Applicants must initial each category for which documents are included and complete.**

<b>Tab</b>	<b>Checklist Item</b>	<b>Initial</b>
<b>1.</b>	Homeownership Application	
<b>2.</b>	Nonprofit Determination (if applicable) CHDO Certification (if applicable)	
<b>3.</b>	Match Certification (if applicable) ( <b>Form M33</b> ) Letter(s) of Commitment for Match or Leveraging	
<b>4.</b>	Current Audited Financial Statements or Financial Statements	
<b>5.</b>	Applicant Experience Certification ( <b>Form M34</b> )	
<b>6.</b>	Lender Interest and Intent ( <b>Form M46</b> )	
<b>7.</b>	Homebuyer Selection Procedure Application for Assistance Sample letter for notification of eligibility or approval for assistance	
<b>8.</b>	Pre-qualified Home Buyer Certification: <ul style="list-style-type: none"> <li>• Housing Counseling Certificates</li> <li>• Calculating Annual Income (<b>Form M19</b>)</li> <li>• 3<sup>rd</sup> Party Income Documentation</li> <li>• Preliminary Commitment Letter for Primary Mortgage</li> </ul>	
<b>9.</b>	Site Documentation: <ul style="list-style-type: none"> <li>• Site Map(s)</li> <li>• Direction to the Site(s)</li> <li>• Recorded Deed – (if applicable)</li> <li>• Option/Contract (if applicable)</li> <li>• Documentation of On-site Utilities (water, sewer, electrical)</li> </ul>	
<b>10.</b>	Acquisition Documentation: <ul style="list-style-type: none"> <li>• Appraisal</li> <li>• Property Acquisition (Notice to Seller)</li> <li>• Relocation: General Information Notice(s) and documentation of delivery method</li> <li>• Tenant Profile Form (<b>Form M39</b>)</li> </ul>	
<b>11.</b>	Environmental Review Information ( <b>Exhibit 5, Forms M37 &amp; M38</b> )	
<b>12.</b>	Marketing Plan	
<b>13.</b>	Construction Documentation: <ul style="list-style-type: none"> <li>• Plans</li> <li>• Work Write-ups</li> <li>• Independent Cost Analysis or Public Body Estimate (<b>Form M35</b>)</li> <li>• Written Locality approval of Plan &amp; Specification</li> <li>• Developer/Owner Const. Mgmt. Certification (<b>Form M36</b>)</li> <li>• Cost Estimate for Lead Based-Paint Reduction</li> </ul>	
<b>14.</b>	Procurement Policy	

Tabs are provided for items 1 through 14. The Authority requires all applicants to adhere to the tabbing system to identify the application and required attachments.

# Tab 1

HOME Application

# **Tab 2**

**Nonprofit Determination (if applicable)  
CHDO Certification (if applicable)**

# **Tab 3**

**Match Certification (Form M33)  
Letters of Commitment for Match or Leveraging**

# **Tab 4**

**Current Audited Financial Statements  
Or Financial Statements**

# **Tab 5**

**Applicant Experience Certification (Form M34)**

# **Tab 6**

**Lender Participation Interest & Intent Forms (Form M46)**

# **Tab 7**

**Homebuyer Selection Procedure  
Application for Assistance  
Sample letter of notification of eligibility  
or approval for assistance**

# **Tab 8**

**Pre-qualified Home Buyer Certification  
Housing Counseling Certificates  
Calculating Income (Form M19)  
3<sup>rd</sup> Party Income Documentation  
Preliminary Commitment Letter for Primary Mortgage**

# **Tab 9**

**Site Information:**

**Site Map(s)**

**Directions to Site(s)**

**Option/Contract (if applicable)**

**Documentation of On-site Utilities (water, sewer, electrical)**

# **Tab 10**

**Acquisition Information**

**Appraisal**

**Property Acquisition (Notice to Seller)**

**Relocation: General Information Notice(s)  
and documentation of delivery method**

**Tenant Profile Form (Form M39)**

**Copy of Deed(s) (if applicable)**

# **Tab 11**

**Environmental Review Information  
Exhibit 5, Forms M37 and M38**

**Tab 12**

**Marketing Plan**

# **Tab 13**

**Construction Documentation:  
Plans & Specifications (if applicable)  
Work Write-ups (if applicable)  
Independent Cost Analysis (Form M35)/Public Body Estimate  
Documentation Locality Approval of Plan & Specifications  
Developer/Owner Construction Certification (Form M36)  
Cost Estimate for Lead Based-Paint Reduction (if applicable)**

# **Tab 14**

## **Procurement Policy**