

Last Updated: 12/13/18

## **2019 CHDO NOFA Question and Answer**

1. The NOFA lists an award maximum but does not provide a minimum amount. Was it DCA's intent to leave the minimum undefined or should applicants assume a \$1 million minimum based on the 2019 QAP?

There is a minimum. Per the 2019 QAP, Section 13. Financing Resources-HOME Loans, B. Home Loan Limits, the maximum HOME loan amount is \$2 million and the minimum HOME loan amount is \$1 million.

2. The NOFA stipulates that the HOME loan term must have a minimum 20-year term. Should we assume that the amortization period may range from 20-35 years, as established in the 2019 QAP?

Yes. Per DCA Policies Related to the Funding of DCA HOME Loans, Section 15. Loan Terms, in general, permanent HOME Loans will be fully amortizing, with maturity and amortization periods ranging from 20 to 35 years.

3. Please confirm that a CHDO project located in a Rural area will be allowed to structure the HOME loan as a non-fully amortizing loan with a balloon payment, as is allowable in the underwriting policies under the 2019 QAP.

Confirmed. A non-fully amortizing loan with a balloon payment is allowable. Per DCA Policies Related to the Funding of DCA HOME Loans, Section 16, non-fully amortizing Balloon Loans are available for projects in Rural areas. In such cases the term will be set by DCA with monthly principal and interest payments determined by DCA's underwriting projections and a balloon payment due at maturity. In the case of non-fully amortizing HOME Loans, the outstanding interest and a portion of the principal must be paid every year (no negative amortization).

4. The QAP requires applicants to utilize utility allowances in effect on January 1, 2019, which presents a barrier given the deadline of January 4. For the purposes of submitting the application, may applicants use currently available utility allowances?

Applicants may utilize current available utility allowances, prior to January 1, 2019 for purposes of this application submission (due January 4, 2019). Applicants will be required to update the utility allowance (to those in effect on January 1, 2019) for HOME Underwriting/Closing if selected for an award.

5. How should applicants address Threshold and Scoring items that may have changed slightly from the 2018 QAP to the 2019 QAP? For example, the criteria for Scoring Section II and Section XII have been updated in the 2019 QAP, which would likely require updates to the Core Application for the 2019 round. Should applicants simply utilize the Notes section to detail how we will comply with each category?

Applicants should utilize the Applicant Comment box.

For Scoring Section II. Deeper Targeting, applicants must designate at least 20% of units at 50% ami. This is equal to a 58% overall ami on the property.

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For Scoring Section XII. Extended Affordability Commitment, applicants must forgo the qualified contract option. Please confirm this in the applicant comment box in the core application.

6. Are applicants required to qualify for all 4 points available in the Enriched Property Services section?

Applicants musts qualify for all 4 points.

7. Could DCA confirm where the most recent CHDO Application form is located on the website?

The most recent application form is located here: <http://www.dca.ga.gov/node/4832>