



## **NOTICE OF FUNDING AVAILABILITY** **EMERGENCY ASSISTANCE LOAN FUND (EALF)**

New Hampshire Housing Finance Authority (NHHFA) is accepting applications from partner organizations for emergency, interest-free loans to help with unexpected costs associated with the COVID-19 crisis. The Emergency Assistance Loan Fund (EALF) Program is administered by NHHFA and provides critical working capital financing for affordable housing operations impacted by the COVID-19 outbreak. At least \$1,000,000 will be available through this notice.

Eligible uses for this financing include resident/client focused activities, organizational operating deficits, project-specific deficits, shortfalls, and other financial gaps related to the pandemic. Requests based on resident and/or client focused needs will receive the highest priority. Working capital, which for purposes of this program is considered capital used by development and service organizations for operations, excludes costs for hard asset acquisition, refinancing, or construction.

This Notice of Funding Availability is effective until September 1, 2020, or until closed by NHHFA. NHHFA reserves the exclusive authority to modify the terms of this notice at any time.

### **Eligible Applicants:**

Private non-profit and for-profit development and service organizations of all sizes are eligible, including specific housing projects as individual legal entities. Current and previous partners are encouraged to apply. Applicants that have not complied with the terms of previous NHHFA loans may not be eligible.

### **Eligible Uses:**

- Costs incurred to keep residents safe and healthy during this crisis, including but not limited to securing personal protective equipment, sanitary supplies, services for cleaning and repairs, etc.;
- Costs associated with residents in isolation, as well as prevention practices in shelters for those who are not housed, and to prevent an increase in homelessness during this crisis;
- Operating deficits such as reductions in rent-related revenue resulting from tenant unemployment, illness, or disability;
- Costs born of responding to special circumstances, such as staffing and maintenance services that are above and beyond normal operations for each property or organization's financial position.

**Note:** for projects experiencing a decline in rental income or higher than normal operating costs, it is expected that the following resources first be utilized:

- Operating and other reserve accounts – Projects with adequately-sized reserves are expected to be used to pay for current operating expenses if the operating budget is insufficient.
- Mortgage Forbearance - In some cases, NHHFA may be able to offer temporarily relief from a portion of monthly debt service payments.

Each application will be evaluated with these considerations and NHHFA's evaluation will vary depending on each organization's or property's financial position.



## **Loan Type:**

Deferred payment, 0% interest loan. Non-recourse and assumable.

## **Loan Term:**

Loan term generally not to exceed maximum of 36 months.

## **Loan Amount Limit:**

Applicants may request up to \$100,000 on a rolling first-come, first-served basis. Minimum loan amount is \$10,000. No match required.

## **Qualifications:**

Borrowers must meet the following qualifications:

- Applicants must have a credit history acceptable to NHHFA.
- Applicants must show to the extent possible the ability to repay the loan.
- For-profits must provide a personal repayment guarantee equal to the amount of the loan.

**Note:** Loan applicants should check with agencies/organizations administering any grant or other assistance program to determine how an approval of an NHHFA EALF loan might affect their eligibility.

## **How to Apply:**

Applicants must submit a request for funding by email, in the application form provided that includes the following information:

- Name of applicant (corporate entity, whether a housing-oriented corporation or a single-purpose entity that owns a multifamily property) including an individual point of contact with name, email address, and telephone number;
- The amount of financing requested;
- Explanation of need and how it relates to the COVID-19 pandemic;
- Timing and disbursement of funds, i.e. lump sum dispersal or paid out over some period of time;
- Description of the source(s) and timing of repayment;
- Description of other funding sources that have been applied for (or plan to), if any.

Upon review of the above submissions, NHHFA may seek additional information, including but not limited to:

- Previous three (3) years' audited financial statements for the Sponsor organization (not the Borrower entity if project-specific).
- Schedule of real estate owned (REO), whether affordable or market rate, home ownership, vacant land, commercial, etc.; the REO schedule should provide details including property performance (including debt service coverage), construction and/or leasing status, debt service, and general partner share of cash flow.

All application materials must be emailed to [multifaminfo@nhhfa.org](mailto:multifaminfo@nhhfa.org). There are no application fees.

## **Application Process:**

Upon review, NHHFA staff will work with each organization to determine if the EALF program can assist with financing the needs of the organization. Further information may be requested by NHHFA staff to complete the



review. NHHFA will endeavor to respond to all requests within 10 business days on receipt of a complete application and all requested information.

All applications are reviewed for completeness. Incomplete applications will be rejected, although minor variances may be deemed acceptable. NHHFA may reject any documentation deemed to be insufficient, unsupported, or inadequate for the particular evaluation criteria (Appendix A).

NHHFA reserves the exclusive authority to modify the conditions of a loan on a case-by-case basis as it sees fit.

**Appeal Process:** Applicants may appeal NHHFA's decision, solely with regard to their application. NHHFA will send letters to the Applicant via email informing them that a reservation is not being made. Applicants who want to appeal this decision must submit a written request within five business days to [multifaminfo@nhhfa.org](mailto:multifaminfo@nhhfa.org). The appeal request is first considered by NHHFA's Executive Director. If the Executive Director upholds the original decision, the applicant will have five business days from the written email notice of this decision to submit a formal notice of appeal to NHHFA's Board of Directors, via email to [multifaminfo@nhhfa.org](mailto:multifaminfo@nhhfa.org).

**Representations:** Representations made about ownership or management, or factors that are used in the selection and scoring criteria may not be changed without the express written permission of NHHFA. Funding reservations may be rescinded if the project changes in a way that reduces the immediate need for funds.

**Warrant and Liability:** NHHFA intends to allocate no more funding to any given applicant than is required to meet the expressed need to the extent that is economically feasible. This decision is made solely at the discretion of NHHFA but does not represent or warrant to any applicant, developer, partner, investor, lender, or others that the project is feasible or risk free. No Board member, officer or employee of NHHFA shall be personally liable concerning any matters arising out of or in relation to the allocation of funding or compliance monitoring. NHHFA's obligation to monitor for compliance does not make NHHFA liable for an owner's noncompliance.

Questions about the program can also be directed to Ted Seely at 603-310-9292 or Chris Miller at 603-310-9213.



**APPLICATION FOR EMERGENCY ASSISTANCE LOAN FUND (EALF)**

Date \_\_\_\_\_

**Name of Applicant (Entity):** \_\_\_\_\_ **Single-Purpose Entity?** \_\_\_ Yes \_\_\_ No

**Name of Contact:** \_\_\_\_\_ **Email Address:** \_\_\_\_\_

**Telephone Number:** \_\_\_\_\_

**Amount of Financing Requested:** \_\_\_\_\_

**Explanation of need and how it relates to the COVID-19 pandemic:**

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**Description of timing and disbursement of funds, i.e. lump sum dispersal or payment interval:**

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**Description of the source(s) and timing of repayment:**

**Description of other funding sources that have been applied for (or plan to), if any:**

## APPENDIX A

### Evaluation Criteria

Priority Level	Tier 1 - High	Tier 2 - Moderate	Tier 3 - Low
<b>Urgency</b>	Applicant needs money ASAP to avoid a serious problem (COVID-19 outbreak, foreclosure, making payroll).	Applicant needs funds soon to avoid a problem that is less serious (reporting to a ratings agency, default on another lender's loan).	Applicant wants to ensure access to funds in anticipation of a cash shortfall due to expected revenue loss/increased expenses.
<b>Probability of repayment</b>	Applicant has funds coming from another source but needs money now to help cover immediate needs. Will pledge the other source to repay NHHFA-EALF loan.	Applicant is applying for other funds which could repay EALF; or operational cashflows indicate likely repayment.	Not likely to be repaid.
<b>No other viable source</b>	Applicant has exhausted all other potential sources (e.g., SBA, CDFIA) but is ineligible or inadequate funds available.	Applicant has investigated other sources, isn't sure whether they can use them.	Applicant has not investigated other potential sources to cover immediate needs.
<b>Priority use of funds for resident/client services</b>	Applicant will be using funds for direct and immediate tenant needs such as personal care, protection, and supplies.	Applicant will be using funds for services related to tenant needs such as ongoing cleaning, repairs, and staffing.	Applicants will be using funds for other purposes such as administrative needs.