

Questions and Answers for RFA 2017-114

HOUSING CREDIT FINANCING FOR THE PRESERVATION OF EXISTING AFFORDABLE MULTIFAMILY HOUSING DEVELOPMENTS

Question 1:

Can you confirm that a Seller's Note, if properly documented, is an acceptable Construction Financing Source of Funds in the Tax Credit Application for funding? Nothing from this RFA prevents the applicant from using a Seller's Note as a Construction Financing Source; does it?

Answer:

In the case where the seller of the Development's property is providing a seller's note (purchase money mortgage) to help finance the Applicant's acquisition of the property, evidence of its ability to fund the amount of the seller's note is not needed so long as the Application includes a letter from the seller that meets the financing proposal criteria outlined in Section Four, A.10.b.(2) Non-Corporation Funding Proposals and the amount of the seller's note is equal to or less than the purchase price of the property, as evidenced by the site-control document. The name of the lender provided in the financing proposal must be the same as the name of the seller in the site-control document.

A modification to this RFA is being prepared and will include this information.

Please Note: The Q&A process for RFA 2017-114 is concluded and Florida Housing does not expect to issue any further Q&As regarding RFA 2017-114.

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