

First Set of Questions:

1. We are considering applying for HOME funds for a project that is on a tight timeframe. We hope to close it around August 1, which is the same time you are planning to announce awards. Is there anything (Environmental Review, etc.) that would require a delay in the closing of the project if we were awarded HOME funds?

We anticipate making all awards by July 29. We can conduct the environmental review and historic review if applicable, prior to the award date. Feel free to contact Joy Pierson via phone at 9513-946-8234 to share the property address(s) to discuss what may be needed so we can begin that process now.

Second Set of Questions:

1. Is there flexibility with the rent limits?

The rent limits under both the HOME and NSP2 grants are set by HUD annually and are based on area fair market rents. We selected the highest rent limits allowed by HUD regulations for this RFP. The development contracts will allow for annual rent adjustments as established by HUD.

2. Is there flexibility with the affordability time periods?

The affordability periods are also set by HUD and are identical for HOME and NSP2 grants and are outlined in the tables below:

**Rental Rehab Required Minimum Affordability Periods**

<b>Amount of HOME Assistance Per Unit</b>	<b>Activity Assisted</b>	<b>Minimum Period of Affordability in Years</b>
Less than \$15,000	Rehabilitation of existing rental housing	10 years
\$15,000 to \$40,000	Rehabilitation of existing rental housing	15 years
More than \$40,000	Rehabilitation of existing rental housing	20 years
Any Subsidy	New Construction	20 years
<b>Any Subsidy</b>	<b>Rental Refinancing</b>	<b>20 years</b>

### Homeownership Affordability Periods

<b>Amount of HOME Assistance Per Unit</b>	<b>Minimum Period of Affordability in Years</b>
<b>Under \$15,000</b>	<b>5 years</b>
<b>\$15,000 to \$40,000</b>	<b>10 years</b>
<b>Over \$40,000</b>	<b>15 years</b>
<b>New Construction</b>	<b>20 years</b>

For homeownership and rental projects, HUD requires that 100% of funds be repaid if the affordability period is not reached.

For homeowner projects that include downpayment assistance, HUD allows us to forgive 20% of the downpayment assistance every year for 5 years.