

NEW YORK CITY DOWN PAYMENT ASSISTANCE FUND

APPLICATION FOR PREDEVELOPMENT FINANCING

Dear Applicant:

Thank you for your interest in applying for a Predevelopment Loan from the Down Payment Assistance Fund (“DPAF”). Attached to this letter is the application form, which should be completed by eligible parties and submitted along with required documentation to one of the following DPAF Originating Lenders of your choice:

Originating Lender	Contact	Phone Number
CSH	Maygen Moore	(212) 986 2966 x225
Enterprise	Jon Clarke	(206) 223-4516
LIIF	Ivan Levi	(212) 509-5509 x29
LISC	Arturo Suarez	(212) 455 1606

Accompanying the Application Form is the DPAF Term Sheet applicable to all Predevelopment Loan transactions. Please discuss with the Originating Lender if you have any questions.

The following criteria determine eligibility for a Predevelopment Loan from DPAF¹:

- I) **Applicants must be non-profits**, which are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, operating as a service provider and/or developer of supportive or mixed affordable and supportive housing projects. Supportive housing is defined as affordable housing matched with a government-funded social service contract for the provision of on-site social services.
- II) **Eligible projects must be those receiving subsidy through one of the following HPD programs:** SHLP, ELLA or SARA, with a minimum set-aside for supportive units of 30% in ELLA and SARA projects, and 60% in SHLP projects.
- III) **Applicants must have** site control of a property for development, or designation for a City-owned site by the NYC Department of Housing Preservation and Development (HPD) or other City agency through an RFQ or RFP.

¹ Please note that, while some requirements may overlap with those pertaining to DPAF’s Down Payment Loan product, the Predevelopment Loan product is separately administered with its own requirements. DPAF continues to administer its Down Payment Loan product, and there has been no change to the requirements for the latter, as discussed in the NOFA issued on December 5, 2018.]

NEW YORK CITY DOWN PAYMENT ASSISTANCE FUND

- IV) In addition to items III and IV above, Predevelopment Loans will be limited to projects that are currently in HPD's development pipeline for construction financing, as this financing is the anticipated takeout source for DPAF's loan.
- V) All predevelopment expenses to be covered with proceeds from the requested Predevelopment Loan must be eligible for reimbursement by HPD financing or other construction loan, and will be reviewed and approved as part of the DPAF underwriting process.
- VI) Other factors will be reviewed during the DPAF underwriting process to determine eligibility for a Predevelopment Loan, including, but not limited to, the Sponsor's development capacity and experience, and the Sponsor/Guarantor's financial position.

Once an applicant's eligibility is confirmed by an Originating Lender, and all listed documents have been provided, a loan underwriting will commence. All applications must be approved by DPAF's Credit Committee to obtain a commitment. DPAF's estimated timeframe for review of the application, underwriting, credit approval, and a final closing, is currently [6-8] weeks from the time of receipt of a complete application.