STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
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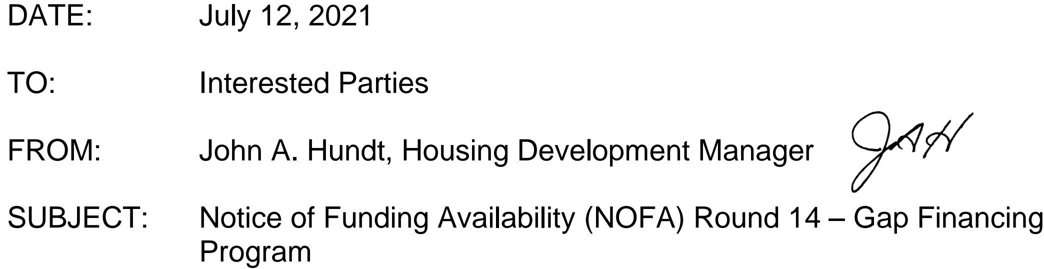
GARY HEIDEL
ACTING EXECUTIVE DIRECTOR



DATE: July 12, 2021

TO: Interested Parties

FROM: John A. Hundt, Housing Development Manager

SUBJECT: Notice of Funding Availability (NOFA) Round 14 – Gap Financing Program

This message is intended to provide notice to interested parties of the Michigan State Housing Development Authority's fourteenth round for the Gap Financing Program - Notice of Funding Availability (NOFA).

Fourteenth Round Notice and Updated Gap Financing Program NOFA: This Program is designed to improve MSHDA's direct-lending production, achieve deeper income targeting and to assist with being able to finance tax-exempt bond transactions utilizing the 4% Low Income Housing Tax Credit.

The fourteenth round will begin August 16, 2021, as described within the updated Gap Financing Program attached. HOME, Housing Trust Funds (HTF) and Mortgage Resource Funds (MRF) sources will be made available in this round. This funding is being made available exclusively for MSHDA's Tax Exempt - 4% Low Income Housing Tax Credit direct lending transactions.

Attached is a copy of the updated Program Statement, which is also available on our website at http://www.michigan.gov/mshda/0,4641,7-141-5587_5589---,00.html. The biggest change to this funding round is that we are making Housing Trust Funds (HTF) available. The HTF will be used to achieve deeper income targeting by requiring at a minimum the greater of 5% of the total units or the number of HTF units per program guidelines to be restricted to 30% of AMI. The HTF funds will not be factored into the soft to hard debt ratio calculation.

Questions: Any questions about this notice may be directed to:

John Hundt, Housing Development Manager
Rental Development Division
Michigan State Housing Development Authority
735 East Michigan Avenue, PO Box 30044
Lansing, Michigan 48909
hundtj1@michigan.gov
517-241-7207 (voice)

All application packages are to be submitted electronically. To submit application package electronically, please complete and submit the form located at the following link to set up a file. *Electronic Application set up.* Upon completing the set up form and hitting "Submit" an email response will be sent to you with instructions for uploading your electronic files.

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