



STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
LANSING

GARY HEIDEL
ACTING EXECUTIVE DIRECTOR

DATE: December 1, 2021
TO: Interested Parties
FROM: John A. Hundt, Housing Development Manager
SUBJECT: Notice of Funding Availability (NOFA) Round 15 – Gap Financing Program

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

Fifteenth Round 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 fifteenth round will begin February 15, 2022, as described within the 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.

The HTF will be used to incentivize and achieve deeper income targeting for proposals that choose to use HTFs. A 2% discount on the soft to hard debt ratio will be provided for those non-PBRA proposals that meet at a minimum the greater of 10% of the total units or the number of HTF units per program guidelines to be restricted to 30% of AMI. PBRA proposals will be eligible for a 2% discount on the soft to hard debt ratio that meet at a minimum the greater of 20% of the total units or the number of HTF units per program guidelines to be restricted to 30% of AMI. With the exception of proposals with PBRA the HTF funds used to achieve deeper income targeting will not be factored into the soft to hard debt ratio calculation.

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.

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

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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. [**GAP Financing Round 15**](#). Upon completing the set-up form and hitting "Submit" an email response will be sent to you with instructions for uploading your electronic files.