

Affordable Housing Program Format for Narrative

The Affordable Housing Program is a critical element of the nonprofit agency's application. In essence, an Affordable Housing Program is a proposal that describes the activities to be undertaken by an applicant, and the geographic areas to be served. Participation in the HUD Home Sales Discount Program requires that your geographic area be designated by zip code(s).

Nonprofit agencies are to provide an affordable housing program in narrative form, which addresses all applicable items below for each geographic area in which you will be operating (brief, vague responses to items may not be acceptable and delay processing of your application). A nonprofit agency's **affordable housing program** must be separately approved by every HOC with jurisdiction over the geographic areas in which the nonprofit agency wishes to do business. For example, if a nonprofit agency wishes to do business in Los Angeles, California and Atlanta, Georgia, either the Santa Ana or the Atlanta HOC could approve the nonprofit agency's application, since approval by one will be recognized by the other. **However**, both HOCs must review and approve the Affordable Housing Program for its respective jurisdiction.

IMPORTANT: Conflicts of interest: No person who is an employee, agent, consultant, officer, or elected or appointed official of the lessee or purchaser of property or who is in a position to participate in a decision making process pursuant to the affordable housing plan or gain inside information with regard to the lease or purchase of the property pursuant to the affordable housing plan, may obtain a personal or financial interest or benefit from the purchase of the property, or have an interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for himself or herself or for those with whom he or she has family or business ties, during his or her tenure or for one year thereafter.

Generally speaking, the following items should be included in an acceptable affordable housing program:

1. What is your nonprofit agency's purpose regarding your participation in FHA programs?
2. Provide documentation of the source of your agency's current funding, and describe the long-term stability of these funding sources (include funding commitments from other organizations if applicable). Also provide information as to how this funding will be utilized to finance the affordable housing program.
3. How will low and moderate income persons benefit from your program? How do you plan to transition families and individuals into homeownership in the communities you serve.

- 4. How will your program be designed to pass along to low income persons any savings your nonprofit agency may receive from the discounted purchase of a HUD-owned property? How will you ensure that payments are affordable to first time homebuyers?
- 5. How will you locate the low and moderate income persons who will participate and benefit from your program?
- 6. What type of homeownership counseling will be provided to prospective homebuyers, if any? Provide a brief description of the administration of this counseling program?
- 7. List all properties your nonprofit agency currently owns, has previously owned (within the last three years), rehabilitated (include approximate cost of rehabilitation), and properties which your nonprofit agency manages. Indicate which properties were financed directly or indirectly with HUD funds.
- 8. What is the expected dollar amount of developer fees or percentage of selling price you intend to charge on a per unit basis?
- 9. List the number of units your nonprofit agency expects to purchase and the name of the cities and/or counties where you expect to purchase the majority of the properties.
- 10. Provide a time line for purchasing, rehabilitating, and selling (or placing in operation) properties you wish to purchase from HUD (use number of days for each phase of the development - actual dates not necessary).
- 11. If the nonprofit agency intends to provide a lease-purchase program, provide information relative to the manner in which rent is collected and whether repair reserves will be utilized to minimize repair costs after purchase.
- 12. How do you plan to administer and market your affordable housing program in areas where your organization has no physical presence?
- 13. Provide your organization's Federal Tax Identification Number (TIN), any subsidiary organization TIN, as well as the social security number for each of the officers of the board and principal staff members of your organization. For any principal or staff member who chooses not to provide a social security number, the following certification is required, on applicable nonprofit agency letterhead, and must be submitted with this application package:

Social Security Certification (see number 13)

In lieu of providing the U.S. Department of Housing and Urban Development my social security number (SSN), as an employee or volunteer, working for _____ (name of nonprofit agency), a nonprofit agency, I certify that neither I nor any of my family members have leased or purchased, or assisted in the lease or purchase of, in my name, or in any of my family member's name, any property owned by the nonprofit agency obtained from the U.S. Department of Housing and Urban Development.

I understand that by signing this certification, I am subject to provisions of 18 U.S.C, Section 1010, Department of Housing and Urban Development and Federal Housing Administration transactions, "Whoever, for the purpose of...influencing in any way the action of such Department, makes, passes, utters, or publishes any statement, knowing the same to be false,shall be fined under this title or imprisoned not more than two years or both".

Signature

Date

List any other names or alias used below:

REMINDER: Please include an original copy of the board resolution adopting the completed affordable housing program and signed by all board members and principal staff persons (Item 12 from the application).

On a separate sheet of paper (on the agency's letterhead), please include the following:

I certify that the information submitted in response to the "Affordable Housing Program-Format for Narrative" is accurate.

Name of Authorized Nonprofit Agency Representative _____

Signature _____

Date _____

WARNING: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)