



# Greater Minnesota Housing Fund

## Single Family Housing

### Program Guide

#### **Greater Minnesota Housing Fund (GMHF)**

Greater Minnesota Housing Fund (GMHF) is a 501(c)3 non-profit and Minnesota's largest certified affordable housing Community Development Finance Institution (CDFI). GMHF's mission is to "strengthen families and communities by supporting the creation and preservation of affordable housing in Greater Minnesota." GMHF assembles and leverages significant financing resources for affordable housing projects across the state. Founded in 1996, and certified by the U.S. Department of Treasury as a CDFI since 2004, GMHF has provided more than \$208 million in financing to affordable housing projects statewide, and created or preserved more than 12,000 homes for low-income Minnesotans. GMHF combines its affordable housing loan products with housing-related technical assistance to communities and local partners across its 80-county service area of Greater Minnesota. GMHF provides tax credit equity syndication services and investments to projects statewide, including projects located in the Twin Cities through our subsidiary the Minnesota Equity Fund.

#### **GMHF Single Family Housing Resources**

GMHF is a partner with Minnesota Housing in the Impact Fund. GMHF coordinates requests for funding using the standard application and forms available at the Minnesota Housing website. (GMHF no longer requires a separate application for GMHF funding).

#### **GMHF provides the following financial and technical assistance for single-family affordable housing:**

**Homebuyer Affordability Gap Loans:** GMHF provides gap financing (0-1% deferred loans) second mortgages ("affordability gap loans") to assist low-and moderate income homebuyers with the purchase of single-family homes. The maximum income for single-family homebuyers is 80% of the greater of area median income or statewide median income, as published on GMHF's website and on the chart attached below. GMHF maximum assistance per homebuyer/homeowner is \$8,500 per unit. Preference is given for applicants who are assisting homebuyers in targeted neighborhoods or areas affected by blight or foreclosure. Additional funding preference will be given for households with children or underserved populations including emerging markets. All funds are awarded as loans and are repayable; GMHF does not currently provide affordability gap grants or value gap.

**Homeowner Rehab/Owner Occupied Gap Loans:** GMHF provides similar deferred second mortgages ("homeowner gap loans") to make home improvements for existing low-and moderate income homeowners. Income targets are the same as homebuyer gap, and maximum assistance per household unit served is \$8,500. Preference for owner-occupied funding is given to applicants serving households at or below 50% AMI, to efforts that emphasize health, safety and green improvements, and to targeted programs that are part of larger community revitalization efforts that can demonstrate community-level impact. Local leverage is required. All funds are awarded as loans and are repayable; GMHF does not currently provide affordability gap grants or value gap.

**Interim Loans:** GMHF operates a \$38+ million revolving loan fund of short-term capital available to public, private and non-profit affordable housing partners for the acquisition and rehab of existing single-family homes, or the construction of new homes in targeted areas or infill. Interim loan applications are accepted year-round, and early inquiries are welcome. GMHF offers interim loans on flexible terms and competitive pricing. Single-family interim loans are available

for pre-development, limited land acquisition, acquisition/rehabilitation, new construction, and purchase-rehabilitation-resale of existing homes in Greater Minnesota. GMHF packages these loans with no-cost technical assistance available to all communities and lending partners. A full list of GMHF's affordable loan products is available at: <http://www.gmhf.com/lending-interim.html>

**All projects selected for funding by GMHF must meet the applicable Minnesota Green Communities standards.**

**GMHF Funding Priorities**

GMHF gives preference to single-family projects which meet GMHF's program priorities:

- **Workforce Housing:** Creation or rehabilitation of existing single-family homes in Greater Minnesota communities with growing workforce housing needs.
- **Serving Families and Emerging Markets:** Providing homeownership opportunities for families with children, minority and emerging markets households.
- **Building Better Neighborhoods:** Construction of well-located, well-built homes meeting GMHF's Building Better Neighborhoods criteria. GMHF's nationally-recognized BBN home plans include designs for infill and new construction. Detailed models and complimentary technical assistance available at <http://www.gmhf.com/programs-building-better-neighborhoods.html>

All applicants are encouraged to contact GMHF staff for a pre-application conversation. GMHF staff are available to provide technical assistance on your single-family affordable housing plans, and to discuss new initiatives and emerging ideas for how to better serve greater Minnesota's housing needs.

FHLB of Des Moines Member: GMHF is a CDFI member of the Federal Home Loan Bank of Des Moines. As a member, GMHF is able to support multifamily and single family applications to the FHLB's AHP.

## GMHF 2015 Income Limits (80% of Median) Adjusted for Family Size

The following income limits are effective for units closed/completed on or after March 31, 2015

Family Size	Balance of State (Greater Minnesota Counties) <sup>1</sup>	Rochester MSA (Olmsted & Dodge Counties) <sup>2</sup>	Twin Cities Metro Area (Chisago, Isanti, Wright Counties) <sup>3</sup>
1	\$43,350	\$45,750	\$48,500
2	\$49,550	\$52,300	\$55,400
3	\$55,750	\$58,850	\$62,350
4	\$61,900	\$65,350	\$69,300
5	\$66,850	\$70,600	\$74,800
6	\$71,850	\$75,850	\$80,400
7	\$76,800	\$81,050	\$85,900
8	\$81,750	\$86,300	\$91,500

The above income limits apply when Greater Minnesota Housing Fund (GMHF) provides financing for single-family and multifamily developments. GMHF income limits are greater of statewide median income (chart above) or area median income as published annually by HUD.

<sup>1</sup> Greater Minnesota limits are based on statewide median income of \$77,400

<sup>2</sup> Olmsted & Dodge County income limits are based on Rochester MSA median income of \$ 81,700

<sup>3</sup> Chisago, Isanti, Sherburne & Wright County income limits are based on Minneapolis-St. Paul MSA median income of \$86,600