2026 Community Stabilization Request for Proposals (RFP)
Frequently Asked Questions (FAQ)

Updated June 17, 2026

Eligible Applicants

Q1: Would an existing Housing Trust Fund program that provides low-interest rehab loans be eligible if the administrator does not own the properties?

A: No. The administrator must have ownership of the properties and have the intent to sell the homes to income eligible homebuyers.
(May 29, 2026, Tiffany K.)

Eligible Uses

Q2: Does a duplex count as one unit or two units?

A: The sale of one duplex to one homebuyer counts as one unit if sold to a buyer who plans to rent the other unit.
(May 29, 2026, Tiffany K.)

Q3: Are existing manufactured homes eligible under Community Stabilization?

A: Yes, manufactured homes are eligible. They must be existing units – new units of manufactured housing are not eligible.
(May 29, 2026, Tiffany K.)

Q4: Would Affordability Gap for the purchase of new manufactured homes be eligible under Community Stabilization?

A: No, this is not an eligible use under this program.
(May 29, 2026, Tiffany K.)

Q5: Can Impact Fund awards for Affordability Gap or Value Gap activities for Acquisition, Rehabilitation, Resale projects be layered with Community Stabilization?

A: Yes, Community Stabilization funds may be layered with Impact Fund awards.
(June 2, 2026, Tiffany K.)

Q6: Why would someone request only acquisition or only resale funds?

A: Applicants may request funding for activities based on the needs of their project. For example, an applicant that already owns a property could not request Acquisition funds for that property, only Rehabilitation, Resale or Affordability Gap. Conversely, if a property is not expected to be ready for sale within the grant term, the applicant may request Acquisition or Rehabilitation funding only.
(June 4, 2026, Tiffany K.)

Q7: Do rental properties qualify as NOAH properties if their affordability is guaranteed through public funding, rent/income restrictions, and recorded regulatory agreements?

A: To qualify as NOAH properties under the Community Stabilization Program, all properties must be located within an eligible area on the Eligible Communities map.
(June 12, 2026, Tiffany K.)

Q8: How can this funding be used to acquire properties from existing homeowners who may be at risk of losing their homes because of foreclosure, tax forfeiture, and/or extensive repairs needs?

A: If a homeowner is selling an eligible NOAH property, applicants may acquire the home and complete eligible rehabilitation. The applicant must have the intent to sell the homes to income eligible homebuyers in accordance with Section 3.02 of the Program Guide. If existing homeowners have extensive repair needs, they can explore other Minnesota Housing Home Improvement programs. If applicants want to offer home improvement resources to existing homeowners, the Impact Fund RFP provides Owner-Occupied Rehabilitation funds to assist homeowners in making necessary repairs.
(June 12, 2026, Tiffany K.)

Application Materials

Q9: Can our target area include multiple counties or municipalities?

A: Yes, target areas can cover multiple communities. However, all properties must fall within eligible areas on the Community Stabilization eligible communities map. Always verify eligibility before acquiring a property intended for participation in the Community Stabilization Program.
(June 4, 2026, Tiffany K.)

Q10: Will the eligible communities map be available as an overlay in ArcGIS?

A: Not at this time.
(May 29, 2026, Tiffany K.)

Q11: How were the eligible communities map locations determined?

A: Minnesota Housing's research division assessed home sale prices over time to determine increases in prices driven by market pressures. They also evaluated communities with significant deferred rehabilitation needs, which included an analysis of neighborhoods with a concentration of homes built before 1980 with lower home values.
(May 29, 2026, Tiffany K.)

Q12: What projects need to use the intended methods worksheet?

A: The intended methods worksheet is only required for the Rehabilitation activity.
(May 29, 2026, Tiffany K.)

Q13: What was the thought process behind the financial worksheet and budget structure?

A: Community Stabilization Acquisition, Rehabilitation and Resale funds reimburse specific project costs directly, unlike the Impact Fund, which provides gap funding in the form of Affordability Gap and Value Gap. Cost categories are broken out so applicants can request funding for only the activities they need (Acquisition, Rehab, Resale, or Affordability Gap). Any leverage funding included reduces the request amount.
(June 4, 2026, Tiffany K.)

Q14: The worksheet does not take into account the anticipated appraised value of the sale proceeds and so my calculated request amount is higher than the value gap that I have.

A: Community Stabilization is not limited to covering the Value Gap the way the Impact Fund does. This program pays for costs directly. The worksheet allows you to reflect the anticipated costs for Acquisition, Rehabilitation and Resale activities and receive funding for those eligible activities. At the time of disbursement, administrators will need to show evidence of costs. Double-billing across funding sources is not allowed, so request only what is required based on your anticipated real expenses.
(June 4, 2026, Amanda H.)

Program Requirements

Q15: When does the 60-day occupancy requirement apply?

A: The 60-day occupancy requirement applies only after the Homebuyer Household acquires the property from the funded Administrator. It does not apply while the funded Administrator owns the property, completes rehabilitation, or prepares the home for sale.
(June 4, 2026, Tiffany K.)

Q16: How much time does an Administrator have to complete acquisition, rehabilitation and resale activities?

A: All funded activities must occur within the 36-month grant term, and timing depends on the funding type:

- **Acquisition funds:** The Administrator must acquire the property within the grant term.
- **Rehabilitation funds:** All rehabilitation work must be completed within the grant term.
- **Resale or Affordability Gap funds:** The sale to an eligible Homebuyer Household must occur during the grant term.

(June 4, 2026, Tiffany K.)

Q17: What is allowable under the administrative fee, and where can I find details?

A: The program guide provides full details about the eligible costs that the administration fee may include. Administration fees may not exceed 15% of the total grant award and must directly support grant-funded activities.
(June 4, 2026, Tiffany K.)

Q18: How does the scoring work for longer affordability periods (land trust or deed restriction)?

A: Additional points are available for applicants that include long-term affordability mechanisms. Applicants that do not include long-term affordability protection simply forfeit those scoring points.
(June 4, 2026, Tiffany K.)

Q19: Why is affordability measured as a maximum monthly payment (PITI) instead of sale price?

A: Sale prices must be set based on appraisals. The monthly payment methodology allows affordability gap funds to lower the monthly housing cost for the buyer. The program therefore sets limits using monthly payment rather than sale price.
(June 4, 2026, Tiffany K.)

Q20: How do we plan for insurance costs that vary widely and can push buyers over the monthly limit?

A: This limit is statutory and cannot be changed.
(June 4, 2026, Amanda H.)

Q21: Can we directly partner with one or two contractors without public bidding?

A: If the contractors are identified in your application and incorporated into your program design, then the bidding requirement for those services can be waived. If selected partners change later, securing new partnerships would require following the bidding process.
(June 4, 2026, Tiffany K.)

Q22: How will disbursements and requests for funds be handled?

A: Disbursement requests will follow the same general process and form style used by the Impact Fund. Request for funds will require supporting documentation for review and verification of expense eligibility and compliance with program guidelines and contract requirements. If applicants are familiar with Impact Fund draws, they can expect disbursements to be managed using the same approach.
(June 4, 2026, Amanda H.)

Q23: If only one of five properties is in the eligible area and the remaining four are within one mile, what is the likelihood Minnesota Housing will consider an eligibility-area waiver to support the comprehensive project?

A: Exceptions may be made at Minnesota Housing's sole discretion on a case-by-case basis for units that fall outside of the identified eligible communities, if they meet the market pressures or significant deferred rehabilitation criteria. No blanket waivers will be made, and waiver requests will not be accepted as part of the application process.
(June 12, 2026, Tiffany K.)

Q24: If a nonprofit acquires properties in which Minnesota Housing has funding from multi-family sources, does this create a layering issue?

A: No.
(June 12, 2026, Tiffany K.)

Technical Assistance

Q25: Can variances in the eligible communities map be discussed in a technical assistance session?

A: Requests to fund properties outside of the eligible areas can be made through the Change Request form. This should be submitted with your application and should outline the logic for pursuing properties outside of the eligible areas. No determinations about eligible communities will be made in a technical assistance session.
(May 29, 2026, Amanda H.)

Q26: Will a recording of the information session be posted?

A: Yes, a recording of the Community Stabilization RFP Information Session is posted on the Community Stabilization webpage.
(May 29, 2026, Tiffany K.)