

## **UNDERWRITING PROGRAM GUIDELINES - INTRODUCTION**

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The Pennsylvania Housing Finance Agency (“Agency”) provides funding resources to increase and preserve affordable multifamily housing rental properties throughout the Commonwealth of Pennsylvania. The Agency is the administrator of the Federal Low Income Housing Tax Credit Program (“Tax Credits”). It also provides loans for construction financing, taxable and tax exempt bond financed primary mortgages, equity bridge loan financing, and soft second financing. Soft second financing is through the PennHOMES Program, which includes resources from the Federal HOME Investment Partnerships Program (“HOME”) through the Pennsylvania Department of Community and Economic Development (“DCED”) and the Agency's unrestricted reserves.

The following Program Guidelines explain the Agency's processing procedures, development requirements, and the various funding programs that may be accessed by completing the Agency's Underwriting Application (Application) and other submission requirements as explained in the Instructions.

### **UNDERWRITING APPLICATION PROCESS**

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**The Agency will accept Applications for Tax Credits in one cycle.** The entire Application package, including all Exhibits, must be received by the Agency no later than **3:00 p.m.** on Friday, January 30, 2015 (or such other deadline as may be established by the Agency on its website). Applications not received by the closing date of the submission cycle will not be considered.

Upon receipt of the Application, the Agency will review the site and market information contained in the Application and will conduct a development site visit if the Agency deems the development to be financial feasibility based on the information submitted. The Agency may notify applicants on their review status and in the event the Agency, in its sole discretion, determines that the Application would not be competitive based upon the amount of tax credits available or deems the development to be financially infeasible, the applicant will be advised that the Agency may be discontinuing processing the Application. For 2015, the Agency anticipates that the number of Applications will significantly exceed the amount of Tax Credits availability for allocation, therefore, the Agency may use amount of resources available as a factor in making these determinations.

Additionally, it is suggested that prior to submission of an application for PHFA program funds, applicants should check the Agency website, [www.phfa.org](http://www.phfa.org) for program updates and amendments.

#### **APPLICATION TYPE**

#### **CYCLE DEADLINE**

Applications for Tax Credits, PennHOMES, and Additional Tax Credits

Friday, January 30, 2015

Volume Cap for Tax Exempt Bond Financing, or Taxable Bond Loans

November 3, 2014  
up to July1, 2015

In advance of submitting the entire Application package on January 30, 2015, the Agency strongly encourages Applicants to submit an “Intent to Submit a Tax Credit Application – Fact Sheet” and Development Synopsis on or before December 1, 2014.

Direct all completed Multifamily Housing Applications and/or inquiries to:

Development Division  
Pennsylvania Housing Finance Agency  
717.780.3948 or 717.780.3876

US Postal Deliveries:  
PO Box 8029  
Harrisburg, PA 17105-8029

Hand Deliveries:  
211 N. Front Street  
Harrisburg, PA 17101

Volume Cap Applicants or Applicants submitting an Application for Tax Credits/PennHOMES must submit **TWO hard copies and one electronic copy** of the completed Application with the required Exhibits, along with an Application Fee, to the Agency. All hard copies of the Application must be submitted in three-ring binders. The Application or Exhibits may not be submitted to the Agency by fax or e-mail.

**Applications, hard copies and electronic copies must be identical and must be tabbed numerically using the Application Checklist. All electronic copies should be submitted on a CD with each tab as individual files.** The format for all electronic files should be any version of Microsoft Word, Microsoft Excel or a .PDF file. Pictures must be in a .jpg or .gif format and optimized to a size of less than 50 kb. Most digital cameras automatically save images at 640 x 480 pixels or greater resulting in a very large file size and image. Please reduce (CROP/OPTIMIZE) the image by at least 50% (320 x 240 pixels or less). We may accept up to 100 kb if the image has a great amount of detail. **Note:** To avoid loss of detail, set the resolution to the highest setting when you crop the picture. Publisher or any digital camera image viewing software will NOT be accepted. Both the electronic and hard copies should include color photographs. **DO NOT PASSWORD PROTECT ANY OF THE FILES CONTAINED IN THE ELECTRONIC COPY OF YOUR APPLICATION. Failure to submit the application in the above format may result in your Application being returned.**

Any material omission from the Application Checklist, particularly the omission of site control, Market Study/Housing Needs Assessment, or verification of funding sources may result in an immediate rejection of the Application. Any omissions, inaccuracies, and inconsistencies in the Application package will not qualify the Application for bonus points for the Completeness of Application set forth in the Selection Criteria.

Failure to provide information requested by the Agency, failure to meet deadlines or time frames imposed by the Agency, or any misrepresentation or nondisclosure of any information or data submitted to the Agency by the applicant may result in the immediate rejection of the Application for financing and forfeiture of fees.

The Agency will notify the applicant if, for any reason, the Application for financing is rejected by the Agency. If the Application is rejected, the applicant shall pay and/or reimburse the Agency for any and all fees and costs incurred by the Agency in the Application process, including, but not limited to, the Application fee, market study, appraisal costs, etc.