

The Tax Credit “Pilot” is Launched

FHA has launched a new “Pilot” program for loans insured under Sections 221(d)(4) and 220. *Eligible projects are:*

A: New Construction	B: Substantial Rehabilitation of a Section 8 Project	C: Substantial Rehabilitation and Re-Syndication
9% LIHTC only	4% and 9% LIHTC	4% and 9% LIHTC
90% or more of units LIHTC restricted	90% or more Project-Based Section 8 with 20-year HAP contract	90% or more of units LIHTC restricted
Achievable LIHTC rents are at least 10% below market rates		Achievable LIHTC rents are at least 10% below market rates

THE NATIONWIDE FHA EXPERT



The new Pilot program is designed to streamline the application process and to provide the Lender (AGM) with more responsibility during underwriting and construction.

Learn more ...

Program highlights include:

- **Expedited Approval for A and B projects** under 200 units has limited FHA review. The Lender approves escrow releases, most change orders, and interim draws. The timing goal is to close within 90 calendar days of Application (30 to review, 60 to close). Section 8 HAP renewal requests must be delivered to the PBCA at least 60 days prior to submission of the Application.
- **Standard Approval for type C projects** has more thorough FHA review and adds 30 days to the HUD review time.
- One stage Direct-to-Firm application
- Maximum Loan of \$25 Million
- Requires an initial **Deferred Developer Fee of between 25%-75%**
- **All members of the Development team** must have experience with LIHTC's and FHA-insured loans

*Is this Pilot program right for your LIHTC project?
Call our Origination team to find out!*

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