

IV. PROJECT NARRATIVE

Applicants requesting a loan may do so by submitting a loan proposal in narrative form using the following format. Please include as detailed information as possible so that MHC's Development Lending Staff may make the most accurate and favorable loan request possible to MHC's Loan Committee and Board of Directors.

****APPLICANTS APPLYING FOR THE HB530 LINE OF CREDIT NEED ONLY TO COMPLETE ITEMS 1 AND 2****

1. Project Summary

Provide a summary of the project: (1) describe the needs this project will meet; (2) the parties involved (including guarantors); (3) financing or grants from other sources utilized; (4) the reason MHC funds are needed; (5) an estimated time-line for the project; (6) a description of the type of housing (square footage per unit and total project square footage if other than single-family); (7) other pertinent data.

2. Borrower's Experience

Provide a description of the experience, qualifications, and capacity of Sponsor/Borrower to carry out the proposed project. Include type of housing previously constructed and/or managed, number of units, dates completed, and sales price. Attach resume and a list of references (*Attachment E*).

3. Property Description

Provide a concise description of the project. Attach a plat map. Include a description of the proposed improvements to the property. Indicate current zoning and any zoning changes or other regulatory approvals needed to implement the proposed development.

4. Market Demand

Provide information supporting the need for the type of housing to be provided. Appraisals submitted should be in narrative form and include an absorption rate. If an absorption rate is not provided, a market study may be required.

5. Development Schedule *(provide a detailed timetable for completing project)*

Event	Date
Submission of all financing applications	
Regulatory and zoning reviews and approvals	
Building Permit	
Receipt of financing commitments	
Site Development start	
Site Development completion	
Construction start	
Construction completion	
Sale or lease-up of units	

6. Draw Schedule *(show expected schedule for requesting funds from MAHDF or HB530)*

Draw #	Expected Date	Draw #	Expected Date
Draw 1		Draw 7	
Draw 2		Draw 8	
Draw 3		Draw 9	
Draw 4		Draw 10	
Draw 5		Draw 11	
Draw 6		Draw 12	

7. Project Feasibility

For Single-Family Units, provide an engineer's estimate detailing the estimated cost for the development of the proposed project. Also attach a Sources and Uses Statement (*Attachment B*) itemizing all hard and soft costs and a Cost Estimate Worksheet (*Attachment C*) detailing the cost of construction per unit. For Multifamily Rental Developments, attach a 1-Year Pro Forma (*Attachment D*).