

**Section 221(d)(4) and Section 220 New Construction and Substantial  
Rehabilitation Multifamily Projects with Low Income Housing Tax Credits  
Pilot Program Case Studies**

	Case Study #1	Case Study #2	Case Study #3	Case Study #4	Case Study #5
Type of Transactions/SOA:	221(d)(4) SR	221(d)(4) SR	221(d)(4) SR	221(d)(4) SR RAD	221(d)(4) SR RAD
Expedited or Standard Processing:	Expedited	Expedited	Expedited	Standard	Standard
HUD Office:	San Francisco	San Francisco	Minneapolis	NYC	Atlanta
9% New Construction, 4/9% Sub Rehab > 90% S8, 4/9% Sub Rehab LIHTC Resyndication	9% SR > 90% S8	9% SR > 90% S8	4% SR > 90% S8	4% SR > 90% S8	4% SR > 90% S8
Location:	Modesto, CA	El Monte, CA	Brooklyn Park (Minneapolis), MN	New Haven, CT	Lewisburg, TN
Loan Amount:	\$11,000,000	\$17,144,500	\$14,828,100	\$13,047,000	\$10,849,200
Total Development Costs:	\$20,246,952	\$38,886,564	\$29,780,199	\$28,495,925	\$20,938,312
DSCR:	1.32x	1.24x	1.27x	1.59x	1.11x
Loan to Mortgageable Cost:	67%	67%	57%	53%	54%
Timing Between Concept Meeting and Encouragement Letter:	6 days	7 days	1 day Note that the Pilot Notice had not yet been released at the time of Concept but project had Pilot Concept Meeting	1 day	3 days
Encouragement Letter Comments:	Submission of all identified long-lead time deliverables two weeks prior to application submission; list of deal-specific items to include in the firm application was provided.	HUD requested early submission of SHPO letter, HEROS, and relocation plan.	No significant comments. We received the "standard" Encouragement Letter that comes out of HUD Minneapolis since the Pilot wasn't officially released yet.	Request for early submission of: relocation plan, working capital waiver, CHAP for RAD, 2530s, Tax Pilot Agreement, Ground Lease, HEROS submission, AFHMP.	Requested expedited and HUD approved Standard due to tenant relocation over 9 months (at 10 months although later reduced below 9 months) and environmental risks (a Phase II was commissioned and confirmed no contamination or NFA needed at time of concept; exterior noise was above 65 dBS but no outdoor amenities were being modified).
Timing Between Firm Submission and Processing Acceptance:	21 days	Not yet submitted	5 days	Not yet submitted	4 days; submitted 7/15/19 and assigned an UW on 7/18/19
Timing Between Firm Submission and Kick Off Call:	7 days	Not yet submitted	9 days from placement into processing (due to scheduling conflicts)	Not yet submitted	No Kick Off Call
Items Discussed On Kick Off Call:	AEC review and concerns with Scope, Plans, and Specifications; long lead items reviewed and accepted; special conditions to the firm commitment	Not yet submitted	General status updates, summary of items completed/approved, discussion of closing timeline	Not yet submitted	N/A
Timing Between Firm Submission and Firm Commitment Issuance:	30 days from acceptance into processing. 51 days from submission.	Not yet submitted	24 days from placement into processing. 29 days from submission	Not yet submitted	35 days from submission; 39 days from placement into processing
Timing Between Firm Commitment Issuance and Pre-Closing Call:	Hello email sent one day after firm commitment. Meeting held two weeks after firm commitment.	Not yet submitted	5 days from Firm Commitment	Not yet submitted	TBD
Early Deliverables Provided for Concept Meeting:	S8 Rent Determination Letter, 2530/APPS Certifications, 935.2a, and Tax Credit Scoring Letter.	92013, 2328, ESA Phase I, Relocation Plan, 9839b, 935.2a, S8 Rent Determination Letter, 2530/APPS Certifications, HUD-2 Waivers, Prelim Title Report.	None; LIHTC Pilot was not yet approved	Not yet submitted	APPS (Mortgagor & Management Agent); GC 2530; AFHMP; Investor LOI; Evidence of Tax Credit App Submission; MUTM package cover letter; Draft Phase I; Draft HEROS; Draft ACM O&M; Draft scope of work; HUD-9839B
Early Deliverables Provided after Concept Meeting but Before Firm Application:	ESA Phase I w/ HEROS, Lender ESA Phase I Review, Relocation Plan, Lender Title Review, SHPO/THPO letter templates with deal-specific information, and e-Tool.	LLCI, LOI from LIHTC Investor, Term Sheet for EBL, HEROS, SHPO Letter.	Phase I ESA, 5-Step Process for Floodplain, HEROS, AFHMP, APPS/2530s, Joint Inspection (occurred before submission)	Relocation plan, working capital waiver, CHAP for RAD, 2530s, Tax Pilot Agreement, Ground Lease, draft Phase I/II (HEROS not yet), AFHMP.	Sent 6/12/19; Exhibit A – Relocation Plan, Relocation Plan Budget, and General Information Notice; Exhibit B – Zoning Report; Exhibit C – Environmental Review (HEROS); Exhibit D – Environmental Site Assessment (including Phase II); Exhibit E – Demographic Data of Tenants; Exhibit F – DRAFT HUD-2328 & DRAFT HUD-92013; Exhibit G – MUTM RCS; Exhibit H – Timeline, 42m Reservation Letter, and Bond Commitment Letter
Lender or Borrower Ordered Market Study, if applicable:	Market Study not required.	Market Study not required.	Market Study not required.	Market Study not required.	Market Study not required.
Waivers:	None	1) Additional Obligor, 2) 315% HCF, 3) Working Capital Escrow	Working Capital Escrow	Working Capital Escrow	1) Working Capital Escrow; 2) Expiration of PCNA report over 120 days.
Certification From AEC Consultant:	Draft AEC report and CNA e-Tool provided with Firm App.	Not yet submitted	Draft AEC report and CNA e-Tool provided with Firm App.	Not yet submitted	Draft AEC report and CNA e-Tool provided with Firm App.
Less than 100% Complete Plans?:	Yes	Yes	Yes	No	Yes
ALA G702/703 or HUD 2328?:	HUD 2328	HUD 2328	HUD 2328	HUD 2328	HUD 2328
Market Rate Units?:	None	None	None	None	None
Were the missing exhibits/forms noted in FAQ 5-03-19, Q27 included with application?:	Yes: Architect's Professional Liability Insurance, Asbestos Reports for Sub Rehabs, REAC Report, Architect Energy Letter, Architect SH.3 (Insurance Cert), 5372.	Not yet submitted; to be included.	Yes	Not yet submitted but will be included.	Yes
If Resyndicated with new LIHTC, weighted average % below market:	N/A; 100% Section 8	N/A; 100% Section 8	N/A; 100% Section 8	N/A; 100% Section 8	N/A; 100% Section 8
If Resyndicated with new LIHTC, UW EGI as a % of previous year.	N/A; 100% Section 8	N/A; 100% Section 8	N/A; 100% Section 8	N/A; 100% Section 8	N/A; 100% Section 8
If Resyndicated with new LIHTC, UW expenses as a % of previous year.	N/A; 100% Section 8	N/A; 100% Section 8	N/A; 100% Section 8	N/A; 100% Section 8	N/A; 100% Section 8

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Acceptable Environmental Factors for Expedited Approval Process (radon, asbestos, LBP, UST removal, NFA letter):	Yes; ACM O&M plan	Yes; ACM O&M plan	No	Yes; ACM O&M Plan, state equivalent of NFA letter	No (a case could be made that it was acceptable)
Environmental Factors Requiring Standard Approval (noise, historic, contamination remediation, floodplain/wetland, ASD/AST, LBP positive):	No	Noise, but STaCAT analysis was provided evidencing acceptable interior noise.	Project was approved for Expedited Track since 5-Step was completed prior to submission. There are four garage buildings located in Flood Zone AE with no Floodway.	Noise, but STC calculations evidence acceptable interior noise.	Noise > 65 dBs but noise attention brought interior noise below 45 dBs and no exterior amenities added/modified; Phase II was completed prior to Concept with no issues; wetlands onsite but incidental and covenant requested.
Cost Increases Between Firm Commitment and Initial Endorsement? How much? If > 5%, approved with 1-5?:	Yes, less than 5%	Not yet submitted	None.	None.	Yes, less than 5%
Investor required ODR credited to HUD's higher IOD requirement?:	Tenant in Place Rehab, no IOD required.	Tenant in Place Rehab, no IOD required.	Tenant in Place Rehab, no IOD required.	Tenant in Place Rehab, no IOD required.	Tenant in Place Rehab, no IOD required.
Form of Evidence of 9/4% LIHTC submitted with application:	Yes; 9% Reservation Letter	Yes; 9% Reservation Letter	Evidence of tax-exempt bond allocation submitted	Evidence of tax-exempt bond allocation will be submitted	Evidence of tax-exempt bond allocation submitted
AEC Comments:	AEC comments did not feel "lite;" required significant follow-up; however, HUD was agreeable on all responses.	Not yet submitted.	Minor, related to accessibility.	Minor, related to accessibility.	None
Appraisal Comments:	None	Not yet submitted.	None	Not yet submitted.	None
Environmental Comments (including FEO/REO if over 200 units):	None	Not yet submitted.	None; HEROS approved prior to Firm App submission. HUD reviewed and commented on the 5-Step prior to completion, prior to concept.	Not yet submitted.	Noise - HUD questioned the DOT data and the noise analysis was updated to reflect more current DOT data - noise attenuation was still acceptable
Early Submission of Closing Documents? If so, which ones?:	None	Not yet submitted.	None. Closing package submitted 8-9-19.	Not yet submitted.	None
Examples of Change Orders Not Requiring HUD Approval:	Not yet closed.	Not yet submitted.	Not yet closed	Not yet submitted.	N/A; Transaction has not yet closed.
Examples of Change Orders Requiring HUD Approval:	Not yet closed.	Not yet submitted.	Closed week of 8/26.	Not yet submitted.	N/A; Transaction has not yet closed.
Lender Release of IOD/Working Capital Reserves:	Yes, Working Capital not waived.	Waiver of Working Capital, no IOD.	Waiver of Working Capital, no IOD.	Waiver of Working Capital, no IOD.	Waiver of Working Capital, no IOD.
Early Issuance of FHA#?:	Yes	Yes	Yes	Yes	Yes
Increase in Loan Amount for Reasons Other Than Lower Interest Rate?:	Loan amount was decreased by \$1MM.	Not yet submitted.	No. Mortgage amount was increased due to locking lower rate than processing rate.	Not yet submitted.	No. Loan amount increased based on lower rate than processing rate.