

Multifamily Appendix 2018

Explanatory Notes to Schedule 10-B

Income Limits

Allowances for Tenant-Furnished Utilities and Services

Affirmative Housing Marketing Plan

Company Questionnaire

Personal Questionnaire

Document Checklist for Construction and/or Permanent Financing

Document Checklist for Permanent Take-Out Financing

Insurance Specifications Minimum Requirements (Property and Liability)

Sample Resolution of Need

Sample Tax Abatement Resolution

Sample Agreement for Payment in Lieu of Taxes (PILOT)

Sample Payment and Performance Bond

Sample Maintenance/Warranty Bond

Sample Irrevocable Letter of Credit

NOTE: Changes to the form 10, Schedule B may cause changes in tax credit proceeds which may necessitate a subsequent adjustment to the form 10. Please contact the HMFA for technical assistance if needed.

EXPLANATORY NOTES TO SCHEDULE 10-B: ESTIMATED DEVELOPMENT COSTS AND CAPITAL REQUIREMENTS

The following pages provide guidance for completing Schedule 10-B of the HMFA pro forma commonly called the Form 10. The HMFA has many form 10s dependent upon the specific mortgage loan program for which you are applying. The explanatory notes attached are for the most common program for which the HMFA receives requests (tax-exempt-permanent). Upon submission of the application fee, which varies by department, you will be assigned a credit officer that will help you with any specific questions regarding the completion of the form 10 that are not addressed in the attached notes. For general assistance on the proforma call 609-278-8884.

The types of form 10s available to you are listed below. Please use the form 10 that meets your project needs. The UNIAP found on the HMFA website can be used for most applications however, if you are applying for Special Needs funding through the Special Needs Housing Trust Fund, you should contact the Special Needs Division at 609-278-7521 to have the correct form 10 e-mailed to you for your completion. If you are applying with a HOPE VI, Preservation or Conduit project, contact the Multifamily Programs and Lending Division at 609-278-8884 to have the correct form 10 emailed to you.

- A. Multifamily Projects (two types of form 10s)**
 - 1) Construction Only and Construction and Permanent Financing – with or without tax credits**
 - 2) Permanent Only loans – With or without tax credits**
- B. Preservation Funding (there is one type of Form 10s)**
 - 1) Construction and Permanent –purchase or refinance- with or without tax credits**
- C. Special Needs Funding (there are two types of Form 10s)**
 - 1) Construction Only and Construction and Permanent Only financing – with or without tax credits**
 - 2) Permanent Only – with or without tax credits**
- D. HOPE VI Projects (there is one form 10 to be used for all types of loan purposes, i.e., Construction Only, Construction and Permanent, Permanent Only (all with or without tax credits))**
- E. Conduit Projects (there are two types of Form 10s)**
 - 1) Construction Only and Construction and Permanent Only financing – with or without tax credits**
 - 2) Permanent Only – with or without tax credits**

NOTE: If you are completing the form 10 in Excel, you should be aware that it is protected as it has many macros and formulas within it. You should not try to override the formulas. They are meant to provide the minimum dollar amount that the HMFA looks for when underwriting. If you believe the Form 10 estimate is too high, you will have an opportunity to discuss it with the Credit Officer that has been assigned to your project. Many of these numbers are estimates and once solid numbers have been determined, corrections and changes can be made.

You may also complete the form 10 by hand and avoid the formulas completely.

EXPLANATORY NOTES TO SCHEDULE 10-B: ESTIMATED DEVELOPMENT COSTS AND CAPITAL REQUIREMENTS.

1. SOURCES OF FUNDS DURING CONSTRUCTION

List all funding sources to be used during the construction of the project and indicate for each whether it is a

grant or a loan. If a loan, indicate whether or not it must be repaid from project revenues using a “y” for yes and an “n” for no. If it is a grant, indicate so with a “g”.

Be certain to list only funds available during construction. This will include any construction loans made by lenders other than the HMFA. If you are applying for an HMFA Construction and Permanent Loan, or an HMFA Construction Bridge Loan, these loans should be listed in this section. If HMFA is supplying a permanent loan only, do not put it as a funding source here. There will be another section (#5) for “Sources of Funds For Permanent Closing”.

2. USES of FUNDS DURING CONSTRUCTION

List all costs associated with the construction of the project.

A. ACQUISITION COSTS

a) *and* b) **Land/Buildings:** The actual cost of acquisition is determined by HMFA after appraisal. The HMFA recognizes the lesser of the appraised value or the purchase price of the property in the most recent arm’s length transaction. This may include documented carrying costs, expenditures to obtain zoning, environmental or other governmental approvals necessary or required for the development of the project. For application purposes, place the actual costs you have committed to or paid, i.e. that which is in your *Option to Purchase, Contract, etc.*

c) *and* d) **Relocation and Other:** These costs are subject to State guidelines and may be approved by NJHMFA with supporting documentation. Identify what the “other” costs are in

the yellow section.

B. CONSTRUCTION COSTS

Construction cost estimates are based on prevailing wages as published by the New Jersey Department of Labor, unless construction financing is being provided by a source other than HMFA and the sponsor indicates that New Jersey Prevailing wages are not required.

a) **Demolition:** Estimated costs to prepare the site for construction.

b) **Off-Site Improvements:** Estimated cost of any required off-site improvements such as access roads, sewer lines, etc.

c) **Residential Structure:** The actual cost of the structure, including any on-site improvements

d) **Community Service Facility:** In order for a structure other than the residential structure to be eligible for tax-exempt financing it must be "functionally related" to the residential structure. Therefore, the sponsor should check the Internal Revenue Code for eligible costs. Ineligible costs may be funded with the sponsor’s equity contribution.

e) **Environmental Clearances:** Estimated cost of obtaining all applicable permits and clearances from local, state and Federal environmental authorities.

f) **Surety & Bonding:** Premium for obtaining 100% payment and performance bonds when using HMFA construction financing. The cost for the bond is dependent upon the total construction cost. The higher the construction cost, the lower the percentage. The range is usually between $\frac{3}{4}$ percent to 2% of the construction costs. For Agency Permanent Financing, Sponsor has the option of providing a 10% Letter of

Credit or 30% Warranty Bond in lieu of Payment and Performance Bond.

g) **Building Permits:** Cost of obtaining all required building permits. The costs vary by municipality and you should always check with the specific municipality for a schedule of their fees before submitting an application.

h) **Garage Parking:** The costs of constructing a garage or parking area for Tenants use. **NOTE:** The cost of constructing a parking garage is about \$15,000 per parking space; parking lots cost about \$700 per space.

i) **General Requirements:** Also known, as General Conditions cost about 6% of the construction costs.

j) **Contractor Overhead and Profit:** Negotiated fee with General Contractor as approved by HMFA. **Note that the HMFA will look for the following benchmarks: Overhead should be 2% of the construction costs and Profit should be about 6% of the construction costs.**

k) **Fire Suppression System:** If your construction does not require a fire suppression system by code but because you are accepting financing through Balanced Housing, Home Express or other sources where the program does require this, the additional costs may be budgeted here. These will be offset by funds provided through the program once DCA has accepted and approved them.

l) **Green Features:** This line item is for additional costs of solar photovoltaic installation and the LEED Certification fees (not costs associated with the architect).

m) **Other:** Any other costs associated with construction. Identify “other”.

C. DEVELOPMENT FEE

The amount of the developer fee allowed for eligible rehabilitation or new construction costs is limited to 15.00 percent of total development cost excluding acquisition (that is land and building), working capital, marketing expenses, escrows, operating deficit reserves, step-in-the-shoes costs and costs associated with syndication as determined by HMFA. However, a developer fee of up to 20.00 percent (of total development costs excluding acquisition, working capital, marketing expenses, escrows, operating deficit reserves, step-in-the-shoes costs and costs associated with syndication) is allowed for 1) scattered sites single-family detached or duplex housing 2) projects of 25 units or less or 3) Supportive Housing Cycle projects.

In addition, the non-deferred portion of the developer fee for all projects shall not exceed 8.00 (13.00 percent for the three types of housing referenced 1, 2 and 3 above) of the total development cost excluding acquisition, working capital, marketing expenses, escrows, operating deficit reserves, step-in-the-shoes costs and costs associated with syndication. The deferred portion of the developer fee shall be achieved from cash flow by way of Return on Equity after payment of debt service, operating expenses and funding of all required escrows and reserves.

A developer fee of up to 4.00 percent shall be permitted for building acquisition costs.

The developer fee does not include fees paid to the architect, engineer, lawyer, accountant, surveyor, appraiser, professional planner, historical consultant, and environmental consultant. Executed contracts for these professionals shall be submitted to the HMFA before being recognized as a separate line item expense. Certain fees are subsumed within the developer fee – such as acquisition fees, compensation to the general partner, financial consultants, employees of the developer, construction

managers/monitors, clerk of the works and syndicator-required consultants.

Developers may pledge their fee toward meeting the equity requirement. The amount allowable will be determined at the sole discretion of the HMFA. The developer's fee is earned on a pro-rata basis during the construction period based upon the percentage of construction completion. The unpledged portion of the developer's fee is payable only when earned and is earned only after the entire pledged portion has been earned.

D. CONTINGENCY

- a) Hard Costs: New construction requires 5% of construction costs. Rehabilitation requires a maximum of 10% of construction costs.
- b) Soft Costs: A maximum of 5% is acceptable.

E. PROFESSIONAL SERVICES

All contracts and fees for items (a) through (k) are negotiated between the sponsor and professional and are subject to HMFA approval with the exception of the **Appraisal/Market Study**. The HMFA will request bids and order this document. You may estimate the cost until the HMFA has the bid and you have issued the check. At that time the actual cost will be budgeted on this line. The HMFA uses the ***R. F. Means Facilities Construction Cost Data*** with respect to the review of the **Architect's fee**. The ***R.S. Means Facilities Construction Cost Data*** bases the architect's fee on a percentage of the construction costs as follows.

Construction Cost of \$ 1 million = 8% fee
\$ 5 million = 7% fee
\$10 million = 6.6% fee
\$20 million = 6.5% fee
\$30 million = 6.4% fee
\$40 million = 6.3% fee
\$50 million = 6.2% fee

NOTE: These fees are at the high end of the range; the HMFA usually sees them lower.

These fees are budgeted for operational expenses during the time construction is being completed.

F. PRE-OPERATIONAL EXPENSES

These fees are budgeted for operational expenses during the time construction is being completed.

- a) Operator Fee: On average, the rent-up fee should not exceed \$250.00 per unit.
- b) Advertising and Promotion: Fees for advertising and promotion are negotiated and subject to HMFA approval.
- c) Staffing and Start-up Supplies: Costs you will entail prior to the opening of the building. This could include the salary for a marketing person, the cost of signs, Development of letterhead, etc.
- d) Other: Only with supporting documentation and are subject to HMFA approval.
- e) Other: Only with supporting documentation and are subject to HMFA approval.

G. CARRYING AND FINANCING COSTS

a) **Interest During Construction:** The developer should go to the HMFA Web Site at http://www.nj.gov/dca/hmfa/media/download/multi/mf_current_mortgage_rates.pdf to ascertain the current interest rate. The calculation of the estimated construction interest is automatically calculated on the form 10 using that interest rate, the number of month's to construction completion and ½ the maximum mortgage amount.

b) **Real Estate Taxes During Construction:** The developer should obtain the local tax assessment and multiply it by the length of the construction period to determine total amount of taxes during the construction period.

c) **Insurance:** During construction, the developer is required to obtain the necessary insurance coverage for the project in accordance with procedures established by the HMFA, including multi-hazard and public liability to protect the developer's and HMFA's respective interests. Sponsors should obtain premium estimates for these policies so that they may be included in the Project's Form 10 estimated annual budget. See the HMFA Underwriting Guidelines and Financing Policy for required insurance coverage.

d) **Title and Recording Expenses:** Title insurance and recording expenses, monthly continuation searches and surveys as required in connection with monthly advances on the

building loan which are not chargeable to the general contractor under the terms of the construction contract.

e) **Utility Connection Fees:** Developer's should contact utility companies and determine the cost of connection.

f) **Other Lender Points:** Self-explanatory

g) **Other Lender Construction Financing Fee:** Self-explanatory

h) **Tax Credit Fees:** Self-explanatory

i) **Negative Arbitrage:** Self-explanatory

j) **Cost of Issuance:** Self-explanatory

k) **Furniture, Fixtures & Equipment (FF&E):** Self-explanatory

NOTE: If HMFA will be selling Bonds for the Project either before or during the time the Development is under construction, these costs should be accounted for during the construction period.

3. **USES OF FUNDS DURING CONSTRUCTION:**

Totals of A through G: This is automatically calculated.

4. **BALANCE OF FUNDS NEEDED FOR CONSTRUCTION (overage/shortage):**

The difference between the amount of funds you have to construct the project and the cost to build the project. If an amount appears in this block, you will need to adjust your sources of funds during construction for this line item to balance out. This too, is automatically calculated. You may need to pledge additional developer's fee, sponsor's equity, etc. if this number is showing a shortage.

5. **SOURCES OF FUNDS FOR PERMANENT CLOSING:**

List all funding sources to be used in order to switch to the permanent loan. That is, if the HMFA is the

construction and permanent loan provider, you will only need to place the sources of funds in this area that you will need to fund the escrows. If there is a shortage of funds for closing, show how that gap will be filled in the “Sources section” in order to balance out to zero. If the HMFA is providing the Permanent Loan Only, the HMFA mortgage loan(s) should be placed in this section along with any other funds available for the closing of the permanent loan. Keep in mind, if financing with tax-exempt 142 (d) bonds, the need to meet the 95/5 test. (ninety five percent of the mortgage loan must go to “good costs”).

6. **USES OF FUNDS FOR PERMANENT CLOSING:**

A. DEVELOPER’S FEE: List only the portion of funds not pledged or deferred during the construction phase.

B. HMFA Points (to reduce annual servicing fee) To reduce annual Servicing fee, see *Typical HMFA Fees and Costs* in the *Multifamily Underwriting Guidelines and Financing Policy*.

C. HMFA Second Note Financing Fee The HMFA does not charge a loan origination fee except in cases where there is non-amortizing debt. An origination fee of two points (2%) of the mortgage loan amount must be budgeted for all non-amortizing debt. **NOTE:** For tax credit purposes, HMFA financing fees are not counted in basis if paid at time of the permanent closing.

D. CONSTRUCTION LOAN PAYOFF:

If you have a construction loan other than from the HMFA or if the HMFA is providing a construction bridge loan, place the amount of your construction loan in this section. If the HMFA is providing both the construction and permanent loan, leave this section blank.

E. Construction Loan Interest Due (per diem): This line (if applicable) would only be used by the credit officer when preparing for a closing on your loan.

F. Negative Arbitrage Self-explanatory – Again, for tax credit purposes, this is not in eligible basis unless it was paid during construction. If that is the case, it is shown in Section G of Schedule 10-B (Carrying and Financing Costs During Construction). Negative arbitrage represents the difference between the rate the HMFA pays on the bond and the rate realized by the HMFA on the investment of the bond proceeds.

G. Cost of Issuance Self-explanatory – Again, for tax credit purposes, this is not in eligible basis unless it is paid during construction and in that case it would be shown in Section G of Schedule 10-B (Carrying and Financing Costs During Construction).

H. Reimbursement of any Indemnification Fee not dedicated to other costs: This line (if applicable) would only be used by the credit officer when preparing for a closing on your loan.

I. Tax Credit Fees: Self-explanatory

J. R.E. Taxes Due and Payable at Closing: This line (if applicable) would only be used by the credit officer when preparing for a closing on your loan.

K. Title Insurance: This line (if applicable) would only be used by the credit officer when preparing for a closing on your loan as accounts for the final Title Insurance Bill which is presented the closing.

L. HMFA Loan per diem interest on NOTE I (if applicable): This line (if applicable) would only be

used by the credit officer when preparing for a closing on your loan.

M. Outstanding Payments to Professionals & Sub-contractors: This line (if applicable) would only be used by the credit officer when preparing for a closing on your loan.

N. Payment and Performance Bond, 30% Warranty Bond, or 10% Letter of Credit: the HMFA requires this to be in place for two years after construction completion; one of these options must be in effect prior to closing on the permanent loan and the cost should be budgeted here.

N. Other Fees: be sure to identify what these fees are.

O. ESCROW REQUIREMENTS: 1

1) *Working Capital Escrow:*

- a) ***Debt Service & Operating Expenses:*** Based on 75% of the annual anticipated operating expenses, and debt service over the term of the anticipated rent up.
- b) ***Rental Agency Rent-up (during rent-up):*** Self-explanatory
- c) ***Advertising and Promotion (during rent-up):*** Self-explanatory

2) *Other Escrows:* Self-explanatory

- a) ***Insurance:*** The cost of Liability and Hazard on the facility; normally ½ year is budgeted but may be more depending on when the Policy was purchased. See the HMFA Underwriting Guidelines and Financing Policy for required insurance coverage. Initially this will be automatically calculated using the ½ year as an estimate.
- b) ***Taxes:*** Self-explanatory – This too, is automatically calculated at ¼ of the years estimated taxes.
- c) ***Debt Service Payment & Servicing Fee for one month:*** Self-explanatory
- d) ***Mortgage Insurance Premium:*** There may be instances where credit enhancement is required. If HUD Insurance is used as the enhancement, there will be a yearly fee paid to HUD in advance plus an additional 3 months of payment will be held in escrow at closing.
- e) ***Repair and Replacement Reserves:*** On occasion, under certain circumstances there may be a need to withhold funds for work to be done after closing.
- f) ***Operating Deficit Reserve:*** A project's cash flow analysis must achieve and maintain a projected minimum debt service ratio for 15 years of the loan to be eligible for financing. The establishment of an Operating Deficit Escrow Account (OEDA) account may be required if a project negatively trends below a 1.15 debt service coverage ratio for the term of the mortgage.
- g) ***Other:*** Self-explanatory
- h) ***Other:*** Self-explanatory

7. **USES OF FUNDS FOR PERMANENT CLOSING:** List all costs associated with the permanent closing of the Project.

8. **BALANCE NEEDED TO CLOSE (overage/shortage):** If there is a shortage of funds to close, show how that gap will be filled in the *Sources of Funds for Permanent Closing* section above.

9. **TOTAL PROJECT COSTS:** Self-explanatory; this cell automatically calculates.

10. **MAXIMUM MORTGAGE LOAN:** Percentage of total project cost and dollar amount.

11. **55% of BASIS TEST:**

1 NOTE: If you are applying for a Construction and Permanent mortgage loan, these escrows will be withheld, but not established until permanent conversion.

The HMFA may finance projects utilizing tax-exempt bonds with the intention of being eligible for credits on 100% of the project's eligible basis by satisfying the requirements established by the Internal Revenue Service 50% (the Agency uses 55% as a safe harbor) of aggregate basis test. Meeting the 55% test is often achieved through the provision of two first mortgage notes. The first note is sized based upon the amount of debt that can be amortized in accordance with the HMFA's underwriting standards. The second note is sized based upon the difference between the first note and that amount of funding needed to achieve 55% coverage of the aggregate costs. This section will automatically calculate the 55% coverage as well as determine the dollar amount necessary to be financed through the First Mortgage, Second Note. The Sponsor must demonstrate a source of funds to pay off the second note, which must be collateralized in a form satisfactory to the HMFA. The final determination that a project meets the 55% test and the term of the debt to be retired is subject to HMFA bond counsel opinion.

12. REPAYMENT OF SECOND NOTE:

The second note repayment is shown in this section.

Be sure to show the sources you have to retire the second note as well as the principal amount of the second note with cumulative interest to be repaid.

In order to help a sponsor meet the equity requirement, he/she may, subject to prior approval of the Agency, pledge in whole or in part various mortgageable items in which it has an interest.

13. UTILITY ALLOWANCE:

The current utility allowances are reflected on the U.S. Department of Housing and Urban Development charts with an effective date of 7/1/2017.

NOTE: Changes to the form 10, Schedule B may cause changes in tax credit proceeds which may necessitate a subsequent adjustment to the form 10. Please contact the HMFA for technical assistance if needed.

EXPLANATORY NOTES FOR TRUST FUND MORTGAGE CALCULATION:

INSTRUCTIONS WITH REGARD TO THE CALCULATION OF TRUST FUND LOANS

When using the form 10 for a Cash Flow or Grant Trust Fund loan...you do not know what the actual TF loan will be until you find the “gap” in the financing. Therefore you must complete the Schedule 10-B fully without placing any HMFA TF amount on it. Below are directions for how you determine the loan amount. There are two sets of directions; one for loans where you are looking for “Construction and Permanent” financing and the other directs you how to determine the TF mortgage amount when you are only looking for funding for a “Permanent” mortgage.

1. For loans where the TF monies will be used during Construction:

You will notice that the first space under the *Sources of Funds During Construction* section # 1. *Sources of Funds During Construction* is a white space and refers to “HMFA (SNHTF)”; **do not type in this cell.** Place all other Sources of Funds for the project and the dollar amounts in the remaining shaded areas. Complete in full the *Uses of Funds During Construction* section of Schedule 10-B. When you have done this, you will see that there is a shortage of funds in section 4. *Balance of Funds Needed during Construction* and shows up in red numbering. The gap will be the amount needed under “Sources During Construction”.

Example:

4. Balance of Funds Needed for Construction (overage/shortage): \$[(691,254)]

Next: Place that amount in the cell above under *Sources of Funds During Construction* and in section entitled *G. Carrying and Financing Costs During Construction, e) One time Servicing Fee [SP Needs Trust Fund Only]* where indicated (see below)

e) One Time Servicing Fee (SP. Needs Trust Fund Only) _____ 3% on \$ 691,254 \$ 20,738

The One-time Servicing Fee will be calculated and added to the carrying and financing costs. This will cause another shortage in the Balance of Funds Needed for Construction and you will need to add that to the Trust Fund mortgage amount in the Sources section as well as the One-time Servicing Fee section. Once you do that, there will still be another shortage but a much smaller one...if the shortage is less than \$50 just add that amount to the sources number and leave the servicing fee the way it is. If it is more than \$50, repeat this method until the shortage has been lowered to less than \$50.

EXPLANATORY NOTES FOR TRUST FUND MORTGAGE CALCULATION (con’t):

2. For loans where the TF monies will be used For Permanent Mortgage Only:

Now you will notice that the form 10 used for Permanent Only mortgages is showing the Escrows in the bottom section of the pro forma (**5. Sources of Funds for Permanent Financing**). The One-time Servicing fee is now at the bottom of the form 10. This is of course because you would not be paying a servicing fee on funds you had not yet borrowed.

The same principle applies to determining the Trust Fund loan amount as above.

Example:

First look at line 8. Balance Needed for Permanent Closing.

8. Balance Needed for Permanent Closing (overage/shortage): \$[(691,254)]

Next: Place that amount in the cell above under *Sources of Funds Needed for Permanent Funding* and in section entitled **6. B. One time Servicing Fee [SP Needs Trust Fund Only]** where indicated (see below)

B. One Time Servicing Fee (SP. Needs Trust Fund Only) _____ 3% on \$ 691,254 \$ 20,738

The One-time Servicing Fee will be calculated and added to the carrying and financing costs. This will cause another shortage in the Balance of Funds Needed for Permanent Closing and you will need to add that to the Trust Fund mortgage amount in the Sources section as well as the One-time Servicing Fee section. Once you do that, there may still be another shortage but a much smaller one...if the shortage is less than \$50 just add that amount to the sources number and leave the servicing fee the way it is. If it is more than \$50, repeat this method until the shortage has been lowered to less than \$50.

NOTE: In both the above cases, the final mortgage amount will automatically be sent to Schedule 10-A. You will not have to go back and insert it.

**2017 NEW JERSEY Multifamily Tax Subsidy Projects (MTSP) INCOME LIMITS
FOR PROJECTS PLACED IN SERVICE AFTER 12/31/08**

COUNTIES	INCOME LIMIT %	1 PERSON	1.5 PERSON	2 PERSON	3 PERSON	4 PERSON	4.5 PERSON	5 PERSON	6 PERSON	7 PERSON	7.5 PERSON	8 PERSON
ATLANTIC	50%	\$25,150	\$26,950	\$28,750	\$32,350	\$35,900	\$37,350	\$38,800	\$41,650	\$44,550	\$45,975	\$47,400
	60%	\$30,180	\$32,340	\$34,500	\$38,820	\$43,080	\$44,820	\$46,560	\$49,980	\$53,460	\$55,170	\$56,880
	100%	\$50,300	\$53,900	\$57,500	\$64,700	\$71,800	\$74,700	\$77,600	\$83,300	\$89,100	\$91,950	\$94,800
BERGEN PASSAIC	50%	\$33,800	\$36,200	\$38,600	\$43,450	\$48,250	\$50,200	\$52,150	\$56,000	\$59,850	\$61,775	\$63,700
	60%	\$40,560	\$43,440	\$46,320	\$52,140	\$57,900	\$60,240	\$62,580	\$67,200	\$71,820	\$74,130	\$76,440
	100%	\$67,600	\$72,400	\$77,200	\$86,900	\$96,500	\$100,400	\$104,300	\$112,000	\$119,700	\$123,550	\$127,400
HUDSON	50%	\$30,100	\$32,250	\$34,400	\$38,700	\$43,000	\$44,725	\$46,450	\$49,900	\$53,350	\$55,075	\$56,800
	60%	\$36,120	\$38,700	\$41,280	\$46,440	\$51,600	\$53,670	\$55,740	\$59,880	\$64,020	\$66,090	\$68,160
	100%	\$60,200	\$64,500	\$68,800	\$77,400	\$86,000	\$89,450	\$92,900	\$99,800	\$106,700	\$110,150	\$113,600
MIDDLESEX SOMERSET HUNTERDON	50%	\$36,900	\$39,550	\$42,200	\$47,450	\$52,700	\$54,825	\$56,950	\$61,150	\$65,350	\$67,475	\$69,600
	60%	\$44,280	\$47,460	\$50,640	\$56,940	\$63,240	\$65,790	\$68,340	\$73,380	\$78,420	\$80,970	\$83,520
	100%	\$73,800	\$79,100	\$84,400	\$94,900	\$105,400	\$109,650	\$113,900	\$122,300	\$130,700	\$134,950	\$139,200
MONMOUTH OCEAN	50%	\$32,900	\$35,250	\$37,600	\$42,300	\$47,000	\$48,900	\$50,800	\$54,550	\$58,300	\$60,175	\$62,050
	60%	\$39,480	\$42,300	\$45,120	\$50,760	\$56,400	\$58,680	\$60,960	\$65,460	\$69,960	\$72,210	\$74,460
	100%	\$65,800	\$70,500	\$75,200	\$84,600	\$94,000	\$97,800	\$101,600	\$109,100	\$116,600	\$120,350	\$124,100
ESSEX MORRIS SUSSEX UNION	50%	\$33,000	\$35,350	\$37,700	\$42,400	\$47,100	\$49,000	\$50,900	\$54,650	\$58,450	\$60,325	\$62,200
	60%	\$39,600	\$42,420	\$45,240	\$50,880	\$56,520	\$58,800	\$61,080	\$65,580	\$70,140	\$72,390	\$74,640
	100%	\$66,000	\$70,700	\$75,400	\$84,800	\$94,200	\$98,000	\$101,800	\$109,300	\$116,900	\$120,650	\$124,400
BURLINGTON CAMDEN GLOUCESTER SALEM	50%	\$29,150	\$31,225	\$33,300	\$37,450	\$41,600	\$43,275	\$44,950	\$48,300	\$51,600	\$53,275	\$54,950
	60%	\$34,980	\$37,470	\$39,960	\$44,940	\$49,920	\$51,930	\$53,940	\$57,960	\$61,920	\$63,930	\$65,940
	100%	\$58,300	\$62,450	\$66,600	\$74,900	\$83,200	\$86,550	\$89,900	\$96,600	\$103,200	\$106,550	\$109,900
CAPE MAY	50%	\$26,250	\$28,125	\$30,000	\$33,750	\$37,500	\$39,000	\$40,500	\$43,500	\$46,500	\$48,000	\$49,500
	60%	\$31,500	\$33,750	\$36,000	\$40,500	\$45,000	\$46,800	\$48,600	\$52,200	\$55,800	\$57,600	\$59,400
	100%	\$52,500	\$56,250	\$60,000	\$67,500	\$75,000	\$78,000	\$81,000	\$87,000	\$93,000	\$96,000	\$99,000
WARREN	50%	\$31,400	\$33,650	\$35,900	\$40,400	\$44,850	\$46,650	\$48,450	\$52,050	\$55,650	\$57,450	\$59,250
	60%	\$37,680	\$40,380	\$43,080	\$48,480	\$53,820	\$55,980	\$58,140	\$62,460	\$66,780	\$68,940	\$71,100
	100%	\$62,800	\$67,300	\$71,800	\$80,800	\$89,700	\$93,300	\$96,900	\$104,100	\$111,300	\$114,900	\$118,500
MERCER	50%	\$32,550	\$35,375	\$38,200	\$42,950	\$47,700	\$49,625	\$51,550	\$55,350	\$59,150	\$61,075	\$63,000
	60%	\$39,060	\$42,450	\$45,840	\$51,540	\$57,240	\$59,550	\$61,860	\$66,420	\$70,980	\$73,290	\$75,600
	100%	\$65,100	\$70,750	\$76,400	\$85,900	\$95,400	\$99,250	\$103,100	\$110,700	\$118,300	\$122,150	\$126,000
CUMBERLAND	50%	\$23,100	\$24,750	\$26,400	\$29,700	\$32,950	\$34,275	\$35,600	\$38,250	\$40,900	\$42,200	\$43,500
	60%	\$27,720	\$29,700	\$31,680	\$35,640	\$39,540	\$41,130	\$42,720	\$45,900	\$49,080	\$50,640	\$52,200
	100%	\$46,200	\$49,500	\$52,800	\$59,400	\$65,900	\$68,550	\$71,200	\$76,500	\$81,800	\$84,400	\$87,000

Source: U.S. Department of Housing and Urban Development
Effective: 04/14/2017

The information contained in this chart was compiled from information derived from the United States Department of Housing and Urban Development and is intended solely as a courtesy to assist app preparation of their application for low income housing tax credits. NJHMFA is not responsible for any errors contained in this chart, typographical or otherwise. Applicants are independently responsible rents which do not exceed the rent restrictions prescribed under federal law for low income housing tax credits, notwithstanding the information contained in this chart.

**2017 NEW JERSEY HERA Special INCOME LIMITS
FOR PROJECTS PLACED IN SERVICE ON OR BEFORE 12/31/08**

The counties listed below are subject to Section 3009(a)(E)(ii) of the Housing and Economic Recovery Act of 2008 (Public Law 110-289), which defines projects in service in either 2007 or 2008 as "HUD Hold Harmless Impacted project(s)". These project(s) are given special income limits as defined in par (a)(E)(ii)(II) of Section 3009.

Projects in all other counties should continue to use HUD's MTSP income limits as before.

COUNTIES	INCOME LIMIT %	1 PERSON	1.5 PERSON	2 PERSON	3 PERSON	4 PERSON	4.5 PERSON	5 PERSON	6 PERSON	7 PERSON	7.5 PERSON	8 PERSON
ATLANTIC	50%	\$25,250	\$27,050	\$28,850	\$32,450	\$36,050	\$37,500	\$38,950	\$41,850	\$44,750	\$46,175	\$47,600
	60%	\$30,300	\$32,460	\$34,620	\$38,940	\$43,260	\$45,000	\$46,740	\$50,220	\$53,700	\$55,410	\$57,120
	100%	\$50,500	\$54,100	\$57,700	\$64,900	\$72,100	\$75,000	\$77,900	\$83,700	\$89,500	\$92,350	\$95,200
BERGEN PASSAIC	50%	\$34,050	\$36,475	\$38,900	\$43,750	\$48,600	\$50,550	\$52,500	\$56,400	\$60,300	\$62,250	\$64,200
	60%	\$40,860	\$43,770	\$46,680	\$52,500	\$58,320	\$60,660	\$63,000	\$67,680	\$72,360	\$74,700	\$77,040
	100%	\$68,100	\$72,950	\$77,800	\$87,500	\$97,200	\$101,100	\$105,000	\$112,800	\$120,600	\$124,500	\$128,400
HUDSON	50%											
	60%	Not Applicable										
	100%											
MIDDLESEX SOMERSET HUNTERDON	50%											
	60%	Not Applicable										
	100%											
MONMOUTH OCEAN	50%											
	60%	Not Applicable										
	100%											
ESSEX MORRIS SUSSEX UNION	50%	\$33,250	\$35,625	\$38,000	\$42,750	\$47,450	\$49,350	\$51,250	\$55,050	\$58,850	\$60,750	\$62,650
	60%	\$39,900	\$42,750	\$45,600	\$51,300	\$56,940	\$59,220	\$61,500	\$66,060	\$70,620	\$72,900	\$75,180
	100%	\$66,500	\$71,250	\$76,000	\$85,500	\$94,900	\$98,700	\$102,500	\$110,100	\$117,700	\$121,500	\$125,300
BURLINGTON CAMDEN GLOUCESTER SALEM	50%											
	60%	Not Applicable										
	100%											
CAPE MAY	50%	\$28,300	\$30,325	\$32,350	\$36,400	\$40,400	\$42,025	\$43,650	\$46,900	\$50,100	\$51,725	\$53,350
	60%	\$33,960	\$36,390	\$38,820	\$43,680	\$48,480	\$50,430	\$52,380	\$56,280	\$60,120	\$62,070	\$64,020
	100%	\$56,600	\$60,650	\$64,700	\$72,800	\$80,800	\$84,050	\$87,300	\$93,800	\$100,200	\$103,450	\$106,700
WARREN	50%	\$33,100	\$35,450	\$37,800	\$42,550	\$47,250	\$49,150	\$51,050	\$54,850	\$58,600	\$60,500	\$62,400
	60%	\$39,720	\$42,540	\$45,360	\$51,060	\$56,700	\$58,980	\$61,260	\$65,820	\$70,320	\$72,600	\$74,880
	100%	\$66,200	\$70,900	\$75,600	\$85,100	\$94,500	\$98,300	\$102,100	\$109,700	\$117,200	\$121,000	\$124,800
MERCER	50%	\$34,900	\$37,400	\$39,900	\$44,900	\$49,850	\$51,850	\$53,850	\$57,850	\$61,850	\$63,850	\$65,850
	60%	\$41,880	\$44,880	\$47,880	\$53,880	\$59,820	\$62,220	\$64,620	\$69,420	\$74,220	\$76,620	\$79,020
	100%	\$69,800	\$74,800	\$79,800	\$89,800	\$99,700	\$103,700	\$107,700	\$115,700	\$123,700	\$127,700	\$131,700
CUMBERLAND	50%	\$24,050	\$25,750	\$27,450	\$30,900	\$34,300	\$35,675	\$37,050	\$39,800	\$42,550	\$43,925	\$45,300
	60%	\$28,860	\$30,900	\$32,940	\$37,080	\$41,160	\$42,810	\$44,460	\$47,760	\$51,060	\$52,710	\$54,360
	100%	\$48,100	\$51,500	\$54,900	\$61,800	\$68,600	\$71,350	\$74,100	\$79,600	\$85,100	\$87,850	\$90,600

Source: U.S. Department of Housing and Urban Development

Effective: 04/14/2017

The information contained in this chart was compiled from information derived from the United States Department of Housing and Urban Development and is intended solely as a courtesy to assist applicants in preparation of their application for low income housing tax credits. NJHMFA is not responsible for any errors contained in this chart, typographical or otherwise. Applicants are independently responsible for charging rents which do not exceed the rent restrictions prescribed under federal law for low income housing tax credits, notwithstanding the information contained in this chart.

Summary Allowance for Tenant-Furnished Utilities and Other Services

Locality : New Jersey Department of Community Affairs		Average							Date : 07/01/2017
5287 AHDD		Monthly Dollar Allowances							
Unit Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR	7 BR	
Mobile Home (Manufactured Home)*									
a. Natural Gas	24	29	37	47	59				
b. Electric	36	43	56	72	90				
c. Bottle Gas	92	111	143	183	229				
d. Oil	60	73	94	120	151				
High-Rise with Elevator									
a. Natural Gas	24	28	33	40	45	56	64	73	
b. Electric	33	40	49	60	75	87	100	113	
Row House/Garden Apt (Rowhouse/Townhouse)*									
a. Natural Gas	23	31	42	53	64	75	86	97	
b. Electric	36	48	65	81	98	114	131	148	
c. Bottle Gas	91	122	165	205	249	289	333	376	
d. Oil	60	80	108	135	163	190	218	247	
Two-Three Family/Duplex (Semi-Detached)*									
a. Natural Gas	28	37	48	60	71	80	92	104	
b. Electric	43	56	74	92	108	122	141	159	
c. Bottle Gas	110	142	188	234	274	312	358	405	
d. Oil	72	93	123	153	180	204	235	266	
Older Multi-Family (Low Rise)*									
a. Natural Gas	25	33	44	55	66	76	87	99	
b. Electric	39	51	68	84	101	116	133	150	
c. Bottle Gas	99	129	173	213	257	295	339	383	
d. Oil	65	85	113	140	168	193	222	251	
Older Home Converted (Semi Detached)*									
a. Natural Gas	27	35	47	58	69	77	89	100	
b. Electric	41	53	71	88	105	118	135	153	
c. Bottle Gas	105	135	181	224	267	300	344	389	
d. Oil	69	89	119	147	175	197	226	256	
Single Family Detached									
a. Natural Gas	31	42	50	63	72	83	96	108	
b. Electric	47	64	77	97	109	127	146	165	
c. Bottle Gas	120	163	195	246	278	324	372	421	
d. Oil	79	107	128	161	183	212	244	276	
All Unit Types-Cooking									
a. Natural Gas	4	6	8	10	12	13	15	17	
b. Electric	10	13	17	21	26	28	32	36	
c. Bottle Gas	17	22	30	37	46	50	57	65	
All Unit Types-Electricity	33	43	57	71	88	95	109	123	
All Unit Types-Water Heat									
a. Natural Gas	6	7	10	12	15	16	18	21	
b. Electric	12	16	21	27	33	36	41	46	
c. Bottle Gas	22	28	37	46	57	62	71	81	
d. Oil	13	17	23	28	35	38	43	49	
Range (Tenant Owned)	4	5	5	5	5	5	5	5	
Refrigerator (Tenant Owned)	4	4	4	5	5	5	5	5	
Water									
Sewer									

**Summary - Air Conditioning
Allowance for Tenant-Furnished
Utilities and Other Services**

Locality : New Jersey Department of Community Affairs		Average					Effective 07/01/2017 Expires 06/30/2018
5287 AHDD		Monthly Dollar Allowances					
Unit Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	
Mobile Home (Manufactured Home)*	15	19	26	32	38		
High-Rise with Elevator	9	12	16	20	24	26	
Row/House Garden Apt. (Rowhouse/Townhouse)*	10	13	17	22	26	29	
Two-Three Family Duplex (Semi-Detached)*	10	13	17	22	26	29	
Older Multi-Family (Low Rise)*	9	12	16	20	24	26	
Older Home Converted (Semi-Detached)*	10	13	17	22	26	29	
Single Family Detached	18	22	30	37	45	50	

NEW JERSEY HOUSING & MORTGAGE FINANCE AGENCY
AFFIRMATIVE FAIR HOUSING MARKETING PLAN

I. APPLICANT AND PROJECT INFORMATION

1a. Applicant's Name, Address (including City, State and zip code) & phone number		1b. Project's Name, Location: (including City, State and zip code)	
1c. Project/Application Number	1d. Number of Units	1e. Price or Rental Range From \$ To \$	
1f. For Multifamily Housing Only <input type="checkbox"/> Elderly <input type="checkbox"/> Non-Elderly <input type="checkbox"/> Special Needs		1g. Approximate Starting Dates: Advertising: Occupancy:	
1h. County:		1i. Census Tract:	
1j. Managing/Sales Agent's Name & Address: (including city, State and zip code)			

II. MARKETING

2a. Direction of Marketing Activity: (indicate which group(s) in the housing market area are least likely to apply for the housing because of its location and other factors without special outreach efforts)		
<input type="checkbox"/> White (non-Hispanic) <input type="checkbox"/> Black (non-Hispanic) <input type="checkbox"/> Hispanic <input type="checkbox"/> American Indian or Alaskan Native <input type="checkbox"/> Asian or Pacific Islander <input type="checkbox"/> Persons with Disabilities <input type="checkbox"/> Other (specify specific special needs groups and number in deed restriction Specify _____)		
2b. Type of Affirmative Marketing Plan: (mark only one)		
<input type="checkbox"/> Project Plan <input type="checkbox"/> Minority Area <input type="checkbox"/> White (non-minority) Area <input type="checkbox"/> Mixed Area (with _____% minority residents) <input type="checkbox"/> Annual Plan (for single-family scattered site units) Note: A separate Annual Plan must be developed for each type of census tract in which the housing is to be built.		
2c. Marketing Program: Commercial Media: (Check the type of media to be used to advertise the availability of this housing)		
<input type="checkbox"/> Newspapers/Publications <input type="checkbox"/> Radio <input type="checkbox"/> TV <input type="checkbox"/> Billboards <input type="checkbox"/> Other (specify)		
Name of Newspaper, Radio or TV Station	Racial/Ethnic Identification of Readers/Audience	Size/Duration of Advertising
Housing Resource Center (Not applicable to special need units)	All	Until fully rented
2d. Marketing Program: Brochures, Signs, and HUD's Fair Housing Poster:		
(1) Will brochures, letters, or handouts be used to advertise? <input type="checkbox"/> Yes <input type="checkbox"/> No (2) For project site sign, indicate sign size _____x_____; Logotype size _____x_____. (3) HUD's Fair Housing Poster must be conspicuously displayed wherever sales/rentals and showings take place. Fair Housing Posters will be displayed in the <input type="checkbox"/> Sales/Rental Office <input type="checkbox"/> Real Estate Office <input type="checkbox"/> Model Unit <input type="checkbox"/> Other (specify)		

II. MARKETING (continued)

2e. Future Marketing Activities (Rental Units Only) Mark the box(s) that best describe marketing activities to fill vacancies as they occur after the project has been initially occupied.

- Newspapers/Publications
 Radio
 TV
 Brochures/Leaflets/handouts
 Site Signs
 Housing Resource Center Website
 Community Contacts
 Other (specify)

III. COMMUNITY CONTACTS

3. To further inform the group(s) least likely to apply about the availability of the housing, the applicant agrees to establish and maintain contact with the groups/organizations listed below that are located in the housing market area or SMSA. If more space is needed, attach an additional sheet. Notify HUD-FHEO of any changes in this list.

Name of Group/Organization:	Racial/Ethnic Identification:	Approximate Date:	Person Contacted or to be Contacted:
Address & Phone Number:	Method of contact:		Indicate the specific function the Group/Organization will undertake in implementing the marketing program:

IV. STAFF EXPERIENCE

4. Staff has experience. Yes No

Additional considerations: Attach additional sheets as needed.

V. CERTIFICATIONS AND ENDORSEMENTS

I hereby certify that the above information is true and correct to the best of my knowledge. I understand that knowingly falsifying the information contained herein may affect NJHMFA financial assistance for this project.

After consultation with NJHMFA, the applicant's signature affirms that changes necessary to ensure continued compliance with the affirmative fair housing marketing requirement will be made.

Name (Type or Print) Name of Municipality or Housing Sponsor _____

Signature of Person Submitting Plan (Contact Person) Date

Title

Affirm.pln

Approved by: _____ Rosie Jackson, Assistant Director of Property Management
New Jersey Housing and Mortgage Finance Agency

Revised – 12-08-10 (rj)

COMPANY QUESTIONNAIRE

HMFA #: _____
PROJECT: _____
DATE: _____
SERVICE: _____

**NEW JERSEY HOUSING & MORTGAGE FINANCE AGENCY
CERTIFICATION AND QUESTIONNAIRE**

**(Corporation, Partnership, Limited Liability Company, Other: _____)
(Circle One)**

State of Formation: _____

This information is necessary to obtain the approval of the NJHMFA, and it will be expressly relied upon. Complete each item, using *NONE* or *NOT APPLICABLE* where necessary. If more space is needed to answer any specific item, use a separate sheet.

A. Applicant (use official names without abbreviations):

Name

Street

City

County

State

Zip Code

Telephone #

Employer's I.D. No.

Organizational ID No. (from State of formation)

B. Please describe the type of services to be provided to the project and the amount and method of compensation:

C. Is the Applicant a subsidiary or direct or indirect affiliate of any other organization? If so, indicate name of related organization and relationship.

D. Management: **List all owners, officers, directors, partners of applicant, and any stockholders that have a 10% interest or more in applicant.** If the applicant is a publicly held corporation, please provide the latest proxy statement indicating stock ownership. Complete all columns for each such person showing the percentage of ownership interest. (Use additional sheet if necessary).

<u>NAME</u>	<u>HOME ADDRESS</u>	<u>BIRTH DATE</u>	<u>PLACE BIRTH</u>	<u>SS#</u>	<u>OFFICE HELD</u>	<u>PERCENTAGE OWNERSHIP</u>
-------------	---------------------	-------------------	--------------------	------------	--------------------	-----------------------------

E. For all individuals named in Item D above list all other companies, partnerships or associations in which such persons have **more than 10% interest** or in which such person is an officer, director or partner. Complete all columns for each person showing the percentage of ownership interest. (If none, so state. Use additional sheets if necessary).

<u>NAME</u>	<u>COMPANY, PARTNERSHIP, ASSOCIATION</u>	<u>HELD</u>	<u>% INTEREST</u>
-------------	--	-------------	-------------------

F. Other than as described above, does the applicant or any person listed in Items D or E have any present or past interest in or relationship with the project or the property on

which it is located or with the owner or manager of same? Do any of the parties have any identity of interest whatsoever now existing or which will exist in connection with the project?

_____yes _____no If yes, furnish details on separate attachment

- G. Has the applicant or any person listed in Items D or E above, shared or accepted any compensation or will they share or accept any compensation directly or indirectly in any form or with any other party with an interest in or a relationship to the project?

_____yes _____no If yes, furnish details on separate attachment

- H. Has the applicant or any person listed in Items D and E above, entered into any agreement, participated in a collusion, or otherwise taken any action in restraint of free and competitive bidding or negotiation in connection with the services to be provided?

_____yes _____no If yes, furnish details on separate attachment

- I. Have any of the above parties, within the last five years, been a party defendant in litigation or administrative proceedings involving laws governing hours of labor, minimum wage standards, discrimination in wages, child labor, worker's compensation, payroll or withholding taxes, employment discrimination or occupational safety and health?

_____yes _____no If yes, furnish details on separate attachment

- J. Is applicant or management of applicant or any of the persons listed in Items D or E now a plaintiff or defendant in any civil or criminal litigation?

_____yes _____no If yes, furnish details on separate attachment

- K. Have any of the persons listed in Items D or E been subject to any disciplinary action, past or pending, by any administrative, governmental or regulatory body?

_____yes _____no If yes, furnish details on separate attachment

- L. Have any of the persons listed in Items D or E been or are they now subject to any order resulting from any criminal, civil or administrative proceedings brought against them by any administrative, governmental, or regulatory agency?

_____yes _____no If yes, furnish details on a separate attachment

- M. Have any of the persons listed in Items D or E been denied any license by any administrative, governmental, or regulatory agency on the grounds of moral turpitude?

_____yes _____no If yes, furnish details on a separate attachment

- N. Has the applicant or management of applicant or any of the persons listed in Items D or E been informed of any current or on-going investigation of the applicant or management of the applicant for possible violation of State or Federal laws, or has the applicant or management of the applicant been indicted or subpoenaed by any grand jury or investigative body or had any records subpoenaed by any grand jury investigative body?
 _____yes _____no If yes, furnish details on a separate attachment
- O. Has the applicant or any person listed in Items D or E above or any concern with which any person(s) listed in Items D or E has been connected, ever been in receivership or adjudicated a bankrupt?
 _____yes _____no If yes, furnish details on a separate attachment
- P. Has the applicant or any person listed in Items D or E above been denied a business related license or had it suspended or revoked by an administrative governmental or regulatory agency?
 _____yes _____no If yes, furnish details on a separate attachment
- Q. Has the applicant or any person listed in Items D or E above been debarred, suspended or disqualified from contracting with any federal, state or municipal agency?
 _____yes _____no If yes, furnish details on a separate attachment
- R. Has the applicant, if a corporation, had its charter revoked or suspended in the State of New Jersey?
 _____yes _____no If yes, furnish details on a separate attachment
- S. Are any of the persons listed in Items D and E above, or any of the applicant's supervisory employees or any members of their respective families, employed with the NJ Housing and Mortgage Finance Agency?
 _____yes _____no If yes, furnish details on a separate attachment
- T. Does any employee or member of the NJ Housing and Mortgage Finance Agency have any interest, direct or indirect, in the applicant's business?
 _____yes _____no If yes, furnish details on a separate attachment

1. Name, address & telephone number of Counsel to applicant:
2. Name, address & telephone number of loan officers at principal bank(s) of account:
3. Name, address & telephone number of accountant to applicant:

CERTIFICATION: I, being duly sworn upon my oath, hereby represent and state that the foregoing information and any attachments thereto, to the best of my knowledge, are true and complete. I acknowledge that the New Jersey Housing and Mortgage Finance Agency is relying on the information contained herein and thereby acknowledge that the undersigned entity is under a continuing obligation, from the date of this Certification through the completion of any contracts with the Owner of subject Project, to notify the Agency in writing of any changes to the answers or information contained herein. I acknowledge that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification, and if I do so, I recognize that I am and/or the undersigned entity is subject to criminal prosecution under the law and that it will also constitute a material breach of any agreement between the undersigned entity and the Owner of the subject Project and that either the Owner or the New Jersey Housing and Mortgage Finance Agency, at its option, may declare all such contracts associated with the subject Project void and unenforceable.

The undersigned entity authorizes the New Jersey Housing and Mortgage Finance Agency to verify any answer(s) contained herein, to investigate the background and credit worthiness of the undersigned entity and to enlist the aid of third parties including State police checks which may be completed by the New Jersey Housing and Mortgage Finance Agency in its investigative process. The undersigned entity further authorizes the New Jersey Housing and Mortgage Finance Agency to disclose any of the foregoing information and any information discovered in any investigation pursuant to this certification to any party which has entered or is entering into any contract with the undersigned entity in connection with the subject Project.

COMPANY NAME _____

SIGNATURE _____

NAME (PRINT) _____

TITLE _____

DATE _____

BE IT REMEMBERED, that on this _____ day of _____, 20__ before me personally appeared _____, who, I am satisfied is the person named in the within instrument and who, being duly sworn upon his/her oath has executed the same as his/her voluntary act and deed.

Notary Public

PERSONAL QUESTIONNAIRE

HMFA# _____
PROJECT _____
DATE _____
SERVICE _____

**NEW JERSEY HOUSING & MORTGAGE FINANCE AGENCY
CERTIFICATION AND QUESTIONNAIRE**

(Personal)

This information is necessary to obtain the approval of the NJHMFA, and it will be expressly relied upon. Complete each item, using *NONE* or *NOT APPLICABLE* where necessary. If more space is needed to answer any specific item, use a separate sheet.

- A. Applicant (Officer, Director, Partner, Shareholder of 10% or more interest).
Circle appropriate category and indicate name of entity.

Name			
_____		_____	
Street		City	
_____		_____	_____
County		State	Zip Code
_____		_____	
Telephone #		Social Security No.	
_____		_____	
Date of Birth		Place of Birth	

- B. Please describe the type of services to be provided to the project and the amount and method of compensation:

- C. Other than as described in Item B, do you have any present interest in or relationship with the project or the property on which it is located or do you have any identity of

interest whatsoever now existing or which will exist in connection with the project?

_____yes _____no If yes, furnish details on separate attachment

- D. Have you shared or accepted any compensation or will you share or accept any compensation directly or indirectly in any form whatsoever from or with any other party with an interest in or a relationship to the project?

_____yes _____no If yes, furnish details on separate attachment

- E. Have you entered into any agreement, participated in a collusion, or otherwise taken any action in restraint of free and competitive bidding or negotiation in connection with the services to be provided?

_____yes _____no If yes, furnish details on separate attachment

- F. Please list all other companies, partnerships, or associations in which you have more than a 10% interest. (Use a separate page if needed).

- G. Have you within the last five years, been a party defendant in litigation or administrative proceedings involving laws governing hours of labor, minimum wage standards, discrimination in wages, child labor, worker's compensation, payroll or withholding taxes, employment discrimination or occupational safety and health?

_____yes _____no If yes, furnish details on separate attachment

- H. Have you ever been charged with, or convicted of any criminal offenses other than a minor motor vehicle violation?

_____yes _____no If yes, furnish details on separate attachment

- I. Are you now a plaintiff or defendant in any civil or criminal litigation?

_____yes _____no If yes, furnish details on separate attachment

- J. Have you been subject to any disciplinary action, past or pending, by any administrative, governmental or regulatory body?

_____yes _____no If yes, furnish details on separate attachment

K. Are you now subject to any order resulting from any criminal, civil or administrative proceedings brought against them by any administrative, governmental, or regulatory agency?

_____yes _____no If yes, furnish details on separate attachment

L. Have you been denied any license by any administrative, governmental or regulatory agency on the grounds of moral turpitude?

_____yes _____no If yes, furnish details on a separate attachment

M. Are you or any member of your family (including in-laws) the subject of a current or on-going investigation with respect to possible violations of State or Federal laws, or has the applicant or management of the applicant been indicted or subpoenaed by any grand jury or investigative body or had any records subpoenaed by any grand jury or investigative body?

_____yes _____no If yes, furnish details on a separate attachment

N. Have you ever been adjudicated a bankrupt or filed for bankruptcy?

_____yes _____no If yes, furnish details on a separate attachment

O. Have you ever been denied a business-related license or had it suspended or revoked by any administrative, governmental or regulatory agency?

_____yes _____no If yes, furnish details on a separate attachment

P. Have you ever been debarred, suspended, or disqualified from contracting with any federal state or municipal Agency?

_____yes _____no If yes, furnish details on a separate attachment

Q. Are you or any members of your family employed with the NJ Housing and Mortgage Finance Agency?

_____yes _____no If yes, furnish details on a separate attachment

CERTIFICATION: I, being duly sworn upon my oath, hereby represent and state that the foregoing information and any attachments thereto, to the best of my knowledge, are true and complete. I acknowledge that the New Jersey Housing and Mortgage Finance Agency is relying on the information contained herein and thereby acknowledge that the undersigned entity is under a continuing obligation, from the date of this Certification through the completion of any contracts with the Owner of subject Project, to notify the Agency in writing of any changes to the answers or information contained herein. I acknowledge that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification, and if I do so, I recognize that I am and/or the undersigned entity is subject to criminal prosecution under the law and that it will also constitute a material breach of any agreement between the undersigned entity and the Owner of the subject Project and that either the Owner or the New Jersey Housing and Mortgage Finance Agency, at its option, may declare all such contracts associated with the subject Project void and unenforceable.

The undersigned entity authorizes the New Jersey Housing and Mortgage Finance Agency to verify any answer(s) contained herein, to investigate the background and credit worthiness of the undersigned entity and to enlist the aid of third parties including State police checks which may be completed by the New Jersey Housing and Mortgage Finance Agency in its investigative process. The undersigned entity further authorizes the New Jersey Housing and Mortgage Finance Agency to disclose any of the foregoing information and any information discovered in any investigation pursuant to this certification to any party which has entered or is entering into any contract with the undersigned entity in connection with the subject Project.

SIGNATURE _____

NAME (PRINT) _____

TITLE _____

DATE _____

BE IT REMEMBERED, that on this _____ day of _____, 19____
before me personally appeared _____, who, I
am satisfied is the person named in the within instrument and who, being duly sworn upon
his/her oath has executed the same as his/her voluntary act and deed.

Notary Public

**NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY
CONSTRUCTION ONLY FINANCING and
CONSTRUCTION AND PERMANENT FINANCING
DOCUMENT CHECKLIST**

The Agency intends to provide financing for this project through the sale of taxable, tax-exempt bonds or any other funds available to the Agency. The requirements listed in Section I of this checklist must be satisfied prior to Declaration of Intent. The requirements listed in Section II of this checklist must be satisfied prior to a Mortgage Commitment. And the requirements in Section III of this checklist must be satisfied prior to the inclusion in a bond issue.

**** If this project intends to receive financing for this project through additional Agency or Agency administered programs, additional requirements are noted on the attached list of program requirements that is hereby made a part of the Project Document Checklist. Additional requirements specific to the project may also be attached.**

Closing Targeting Schedule**

Targeted Closing Date:	
DOI Board Meeting Date	
Commitment Board Meeting Date	
Bond Documents Board Meeting Date	

Please keep in mind that this is a targeted schedule that is meant to assist you in reaching your closing goal. These dates are subject to change.

**Other Agency Financing: 1.	<i>Date Closed:</i>
2.	<i>Date Closed:</i>
3.	<i>Date Closed:</i>

DATE LAST UPDATED:

PROJECT NAME:

HMFA PROJECT NUMBER:

Project Address:

Block:

Lot:

of Units:

of Beds (SN):

Type of Tax Credits:

Set Aside:

Const. Period:

Population:

COMMITMENT EXPIRATION DATE:

PARALEGAL:

Phone #:

Fax #:

e-mail:

DAG:

Phone #:

Fax #:

e-mail:

MULTIFAMILY CREDIT OFFICER:

Phone #: **Fax #:** **e-mail:**

SPECIAL NEEDS DEVELOPMENT OFFICER:

Phone #: **Fax #:** **e-mail:**

GREEN OFFICE CONTACT:

Phone #: **Fax #:** **e-mail:**

SPONSORING ENTITY/BORROWER:

Contact Person:

Address:

City, State, Zip:

Phone#: **Fax #:** **e-mail:**

CONSULTANT (If applicable):

Address:

City, State, Zip:

Phone #: **Fax #:** **e-mail:**

OWNER: (If different than borrowing entity) (SELLER)

Contact Person:

Address:

City, State, Zip:

Phone#: **Fax #:** **e-mail:**

GENERAL PARTNER:

LIMITED PARTNER:

BORROWER'S ATTORNEY:

Address:

City, State, Zip:

Phone#: **Fax #:** **e-mail:**

ARCHITECT:

Address:

City, State, Zip:

Phone #: **Fax #:** **e-mail:**

GENERAL CONTRACTOR:

Address:

City, State, Zip:

Phone #: **Fax #:** **e-mail:**

MANAGING AGENT:

Address:

City, State, Zip:

Phone #: **Fax #:** **e-mail:**

SOCIAL SERVICE PROVIDER (if Special Needs project)

Address:

City, State, Zip:

Phone #:

Fax #:

e-mail:

ACCOUNTANT:

Address:

City, State, Zip:

Phone #:

Fax#:

e-mail:

OTHER:

Address:

City, State, Zip:

Phone #:

Fax #:

e-mail:

PLEASE NOTE: Documents consisting of more than ten (10) pages will not be accepted in PDF format by electronic transmittal. Please send hard copies of documents consisting of more than ten (10) pages.

Code to Document Requirements:

A - Document Received and Approved

NA - Not Applicable

R - Document Received and either (1) Under review or (2) Requires modification or update as indicated

** - An asterisk indicates that a New Jersey Housing and Mortgage Financing Agency form document must be used. Many forms are available on the NJHMFA website: www.state.nj.us/dca/hmfa.*

Date - List date document was received. Once document is approved, replace this date with the date in which the document was approved.

Status - If document was not yet received, give a status of why document was not yet submitted. If document was received ("R"), then give the status of the approval process.

All items are required to be submitted by the sponsoring team unless otherwise noted.

I. REQUIREMENTS FOR DECLARATION OF INTENT

SPONSOR:

____ UNIAP Application* (*For Special Needs projects, the population to served plus the service provider must be clearly identified in the application.*)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Project Narrative, including Overview of Scope of Work. (*For any additional Agency financing programs, refer to program specific checklist for additional Project Narrative requirements.*)

Date Received _____) (Date Approved _____)

STATUS: _____

____ Preliminary Proforma/Cash Flow (Agency Form 10)*
(Date Received _____) (Date Approved _____)

STATUS: _____

____ General Site Location Map & Directions
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Resume for Sponsor
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Evidence of Site Control
____ Deed
____ Option Agreement
____ Contract of Sale
____ Redevelopment Agreement
____ Ground Lease or Option to Enter into Ground Lease (keep in mind it is not

the

same as the Option Agreement listed above)
____ Condominium Requirements, if applicable:
____ Condominium Association By-laws
____ Master Deed
____ Certificate of Formation for Condominium Association
____ Other
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Resolution of Need from Municipality* (may be included in municipal resolution granting payments in lieu of taxes) ***(Not applicable for projects with an existing Agency mortgage loan being refinanced under the Preservation Loan program. Resolution IS required for all other Preservation Loan projects not currently in the Agency's portfolio. Not required for Special Needs projects, unless required by another Agency funding source.)***

(Date Received _____) (Date Approved _____)

STATUS: _____

CONSTRUCTION DOCUMENTS:

____ **Preliminary Drawings, (if applicable)**
(Date Received _____) (Date Approved _____)
STATUS: _____

NJHMFA (All documents in this section will be prepared by NJHMFA):

____ Site Inspection Report
Date Received _____) (Date Approved _____)
STATUS: _____

____ Board Resolution for Declaration of Intent
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Declaration of Intent Letter
(Date Received _____) (Date Approved _____)
STATUS: _____

II. REQUIREMENTS FOR MORTGAGE COMMITMENT

PLEASE NOTE: THE TECHNICAL SERVICES (GREEN HIGHLIGHTS) & INSURANCE DIVISIONS (BLUE HIGHLIGHTS) SHOULD BE SUBMITTED TO TECHNICAL SERVICES & INSURANCE DIVISIONS DIRECTLY. PLEASE NOTE THE DIVISIONS WILL NOT BEGIN REVIEW UNTIL ALL DOCUMENTS NOTED WITH SPECIFIED COLOR HIGHLIGHTS HAVE BEEN SUBMITTED IN COMPLETED FORM. IN THE CASE WHERE BOTH TECHNICAL SERVICES & INSURANCE DIVISIONS REQUIRE SAME, THEY WILL BE NOTED IN YELLOW HIGHLIGHTS.

SPONSOR:

____ Formation Certificate for Sponsor/Borrower and Managing Entity, as applicable
(Advise NJHMFA prior to formation if contemplating an Urban Renewal entity
N.J.S.A. 40A:20-1 et seq.)
____ Certificate of Limited Partnership
____ Certificate of Formation (Limited Liability Company)
____ Certificate of Incorporation (required for a corporate sponsor and for any
corporate general partner or managing member and for any corporate limited
partner assigning syndication proceeds)
____ Certificate of Formation for Managing Member, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Corporate Certification and Questionnaire*, as applicable
____ Sponsoring Entity/Borrower
____ General Partner (Limited Partnership)

___ Managing Member (Limited Liability Company)
___ Other entity owning 10% or greater interest in sponsoring entity
___ Updating Affidavit for Questionnaire, if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

___ Personal Questionnaire for Directors and Officers of Sponsoring Entity/Borrower, Individuals Serving as General Partner or Managing Member, and any individual owning 10% or greater interest in sponsoring entity, or in the General Partner or Managing Member entity* ***(For non-profit entities controlled by a Board of Directors, Personal Questionnaires should be provided for any officer of the Board.)***

___ Updating Affidavit for Questionnaire, if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

___ Criminal Background Check for Directors and Officers of Sponsoring Entity/Borrower, Individuals Serving as General Partner or Managing Member, and any individual owning 10% or greater interest in sponsoring entity, and General Partner or Managing Member entity* ***(Any individual submitting a Personal Questionnaire must submit a Criminal Background Check. For non-profit entities controlled by a Board of Directors, Criminal Background checks should be provided for any officer of the Board.)***

(Search results are valid for 18 months from date received.)

(Date Received _____) (Date Approved _____)

STATUS: _____

___ Sponsor must certify that they have read all applicable NJHMFA Insurance Requirements related to this financing program, that the Sponsor understands same and represents that the Sponsor will fully comply with all such NJHMFA Insurance Requirements to the sole satisfaction of the NJHMFA prior to the funding of any loan.*

___ Environmental Preliminary Assessment Report (pursuant to N.J.A.C. 7:26E-3.2) (Phase I) In addition, the following are required for Existing Structures:

___ Lead Based Paint Report/Removal plan

___ Asbestos Containing Materials Report/Remediation plan

___ Radon testing/Remediation plan

(Date Received _____) (Date Approved _____)

STATUS: _____

___ Environmental Report (pursuant to N.J.A.C. 7:26E-3.3), (if applicable) (Phase II)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Resolution Granting Preliminary **AND/OR Final Site Plan Approval**, Subdivision and Any Zoning Variances from Municipality and County, if applicable. **For Special Needs projects, refer to Special Needs Program document checklist requirements.**
(Date Received _____) (Date Approved _____)
STATUS: _____

____ **Street Vacation Ordinances (Resolution with Proof of Publication)**, (if applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Municipal Resolution Granting Payments in Lieu of Taxes*, (if applicable)
____ Agency statute is N.J.S.A. 55:14K-37.
____ The Long Term Tax Abatement falls under N.J.S.A. 40A:20-1 *et seq.*
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Financing Commitments from Other Funding Sources (**List All**)
____ Equity Commitment
____ DCA Balanced Housing Funds: **Please contact Natasha Encarnacion, Housing Affordability Service (“HAS”) Business Development Coordinator at NJHMFPA (609) 278- 8834 for preparation of Developer’s Rental Agreement, if applicable.**
____ Other:
____ Other:
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Evidence of Application for Rental Assistance, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Affirmative Fair Housing Marketing Plan* (**Not required for Special Needs projects, unless required by another Agency financing source.**)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Housing Resource Center (“HRC”) registration of project entity (**Not required for Special Needs projects, unless required by another Agency financing source.**)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Tax Credit Projects: For only those projects receiving both special needs financing

and tax credits, an analysis conducted by the applicant's accountant of anticipated project cash flow and residual value demonstrating a reasonable prospect of repayment of all loans. This analysis shall incorporate the same assumptions utilized in the cash flow proforma submitted in the application, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Tax Credit Projects: For only those projects receiving both special needs financing and tax credits, an opinion of tax counsel in support of the dollar amount of the eligible basis for the project set forth in the application. Attached to this opinion, and incorporated therein, shall be the accountant's analysis referenced above, if applicable.

(Date Received _____) (Date Approved _____)

STATUS: _____

ENERGY STAR:

____ Pre-Construction Authorization Letter

Note: This documentation must be collected prior to commitment for projects that are not receiving construction financing from NJHMFA or will start construction prior to closing on construction. Please contact the Green Homes Office for clarification.

(Date Received _____) (Date Approved _____)

STATUS: _____

TAX CREDITS GREEN POINT:

____ Pre-Construction Authorization Letter

Note: This documentation must be collected prior to commitment for projects that are not receiving construction financing from NJHMFA or will start construction prior to closing on construction funding. Please contact the Green Homes Office for clarification.

(Date Received _____) (Date Approved _____)

STATUS: _____

CONSTRUCTION DOCUMENTS:

____ Detailed Scope of Work (Note: Any changes made to the scope of work must be approved by NJHMFA) ***For Preservation Loan projects, refer to the Preservation Program document checklist requirements.***

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Detailed Trade Payment Breakdown on AIA Form 703 (Schedule of Values) signed by General Contractor and based on the Final Contract Drawings (NOTE:

Any changes to the Trade Payment Breakdown must be approved by NJHMFA.)
(Date Received _____) (Date Approved _____)
STATUS: _____

Architect/Engineer Documents:

____ Architect's Contract* (Alternatively, if use of an AIA form permitted, Agency Addendum to contract is required*)

For Agency Bond or General Fund financing, Multifamily 5-25 or less bonded projects:
____ *Agency Form of Architect's Contract.*

For Special Needs Only, Preservation, Multifamily 5-25 units or less non-bonded projects:
____ *AIA Form of Architect's Contract. Agency Addendum must be submitted.*
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Construction Documents and Project Manual (in CSI format) must be submitted and shall consist of Final (100%) Contract Documents showing all required construction details, cross-sections, and other information necessary to constitute a construction-ready set of project construction documents consistent with the construction contract and with all sheets bearing the same date. The drawing set must include, as a minimum:

- Approved Final Site Plans and Final Subdivision Plans (if applicable);
- Civil Engineering Drawings;
- Architectural Drawings;
- Mechanical/Electrical/Plumbing (MEP) Drawings;
- Structural Drawings;
- Fire Alarm/Suppression Drawings;
- All required construction details; and,
- A detailed project cost estimate by trade.

Prior to submittal of the final drawings, it is encouraged, but not required, to schedule a meeting with Technical Services' staff to review the information to be submitted in order to ensure that the documents will contain all the information required for approval.

Accompanying the construction drawings outlined above, one full-size paper set and one half size paper set, and electronic copies of the drawings on CD, there is to be a separate certification on Architect's letterhead bearing signature and seal stating:

This will certify that the accompanying drawings entitled “ **PROJECT NAME** ”, dated “ **DATE OF LATEST REVISION** ”, consisting of the documents set forth below, have been reviewed by this office and are complete, code compliant, consistent across the disciplines, and issued **for construction**.

____ **Drawing List**

List of submitted drawings, manuals, etc.

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Architect's Errors and Omission Policy/Certificate of Insurance (naming NJHMFA as Certificate Holder)**

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Geotechnical Engineering Report (Soils Test), if applicable**

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Survey (2 Sealed Originals Certified to Sponsor, NJHMFA and Title Company)**

A “Flood Elevation Certificate” on the DEP Form and certified by a professional should be submitted with the Survey.

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Certified Land Description**

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Personal Certification and Questionnaire for Architect of Record ***

____ Updating Affidavit for Questionnaire, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Corporate Certification and Questionnaire for Architectural Firm***

____ Updating Affidavit for Questionnaire, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Criminal Background Check for Architect of Record*
(Search results are valid for 18 months from date received.)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Confirmation of Availability of Utility Services (electric, gas, water, sewer) (Letters should be within at least 6 months of anticipated Agency commitment, if applicable)

____ Letter from Utility Companies

____ Letter from Utility Company confirming that individual metering systems will be installed within a meter room in the building, if applicable to the project type.

(Date Received _____) (Date Approved _____)

STATUS: _____

Contractor Documents:

Executed Construction Contract*

(Note: Federal (Davis Bacon) prevailing wages must be paid for those projects receiving CDBG funds. Evidence of payment of Davis-Bacon wages must be included in the construction contract.)

____ ***AIA Form of Construction Contract is required with Agency Addendum attached***

For Special Needs Only, Preservation, Multifamily 5-25 units or less non-bonded projects:

____ ***AIA Form of Construction Contract. Agency and CDBG Addendum must be submitted.***

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Evidence of ability to obtain 100% Payment & Performance Bond naming Sponsor and NJHMFA as Obligees (Will be required for Agency Construction Financing. For Agency Permanent Financing, Sponsor has the option of providing a 10% Letter of Credit or 30% Warranty Bond in lieu of Payment and Performance Bond.) ***Note this guarantee will be required to exist for a period of two years post construction completion as determined by the Certificate of Occupancy date or Architect's Certificate of Substantial Completion, whichever is later. For Special Needs projects, refer to Special Needs Program document checklist requirements.***

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Corporate Certification and Questionnaire for Contractor*
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Updating Affidavit for Questionnaire, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Personal Certification and Questionnaire for Officers, Directors of Contractor and
Individuals with Management Control, and individuals owning 10% or greater
interest in contracting entity*
____ Updating Affidavit for Questionnaire, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Criminal Background Check for Contractor's Officers, Directors and Individuals with
Management Control, and individuals owning 10% or greater in contracting entity*
(Search results are valid for 18 months from date received.)
(Date Received _____) (Date Approved _____)
STATUS: _____

INSURANCE:

____ Contractor's Liability Insurance Certificate (naming Sponsor and NJHMFA as
Additional Insured)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Certificate of Formation
(Date Received _____) (Date Approved _____)
STATUS: _____

NJHMFA (All documents in this section will be prepared by NJHMFA):

____ Appraisal/Market Study
(Date Received _____) (Date Approved _____)
STATUS: _____

___ Updated Appraisal/Market Study, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____

___ Board Resolution with Bond Documents, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____

___ Board Resolution Authorizing Mortgage Commitment and Commitment
Proforma/Cash Flow (Agency Form 10)*, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____

___ Commitment Letter and Indemnification Deposit (Commitment Letter to be
executed by Sponsor and returned with Deposit within 10 days of mortgage
commitment)*,
(If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____

___ Board Resolution Authorizing Mortgage Re-Commitment and Re-Commitment
Proforma/Cash Flow (Agency Form 10)*, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____

___ Re-Commitment Letter and Re-Commitment Fee (Re-Commitment Letter to be
executed by Sponsor and returned with Fee within 10 days of mortgage re-
commitment)*, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____

III. ADDITIONAL REQUIREMENTS FOR INCLUSION IN A BOND SALE

NOTE: If the project will not receive bond funds, the following items will be required for closing in addition to the items noted in Section IV of this checklist.

SPONSOR:

___ Current Operations Agreement for, as applicable:

___ Sponsoring Entity (By-laws: Corporation; Partnership Agreement: Limited Partnership; Operating Agreement: Limited Liability Company. Must contain NJHMFA Statement – see end of checklist for language)

___ General Partner or Managing Member of Sponsoring Entity
(Date Received _____) (Date Approved _____)

STATUS: _____

___ DRAFT Operating Agreement with all Exhibits attached for Sponsoring Entity as it will

exist once Limited Partner investor/Investor Member is included. Must contain NJHMFA Statement – see end of checklist for language)

(Date Received _____) (Date Approved _____)

STATUS: _____

___ Certificate of Good Standing, from State of Formation, for Sponsoring Entity and All General Partner(s) or Managing Member(s) and for Limited Partner(s) Assigning Syndication Proceeds (Note: Update may be required for closing depending on timing.), Current within six (6) months of estimated **bond sale and/or closing**

(Date Received _____) (Date Approved _____)

STATUS: _____

___ New Jersey Secretary of State Authorization to do Business in New Jersey for any Out-of-State Sponsoring Entity

(Date Received _____) (Date Approved _____)

STATUS: _____

___ TEFRA Certification (TEFRA Sheet) (tax-exempt projects only)*

(Date Received _____) (Date Approved _____)

STATUS: _____

___ Evidence of Availability of Tax Credits

___ 42M Letter (for projects using tax-exempt financing) OR

___ Reservation Letter (for projects awarded competitive tax credits)

___ Carryover Allocation or Binding Forward Commitment or 8609

(Date Received _____) (Date Approved _____)

STATUS: _____

___ Sales Tax Exemption Certificate* (state forms), (If applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Evidence of Perfection of Subdivision (recorded subdivision deeds or filed subdivision map), if applicable.

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Title Insurance Commitment and Title Related Requirements (updates required for closing)

Commitments needed for each Agency or Agency administered loan closing. For Special Needs project receiving Grant financing or HUD 811 funds, see Special Needs Document Checklist for title requirements.

NOTE: *Affirmative insurance required for any exceptions in commitment that will remain at the time of closing.*

____ Tax Search

____ Assessment Search

____ Municipal Water/Sewer Utility Search

____ Evidence of payment of taxes, if applicable

____ Evidence of payment of utilities, if applicable

____ Judgment Search

____ Sponsoring Entity

____ General Partner(s)/Managing member(s)

____ Corporate Status and Franchise Tax Search, if applicable

____ Tidelands and Wetlands Search

____ Flood Hazard Area Certification

____ Closing Protection Letter for Title Officer Attending Closing

____ Survey Endorsement insuring final survey without exceptions

____ Title Rundown Confirmation (in writing)

____ Copies of All Instruments of Record

____ First Lien Endorsement, (and/or Second Lien, etc.,) if applicable

____ Environmental 8.1 Endorsement

____ Evidence of payment of current condominium fees/assessments, if applicable

____ Arbitration Endorsement

Additional Endorsements as may be required depending on project type :

____ ALTA 13.1 - Leasehold endorsement, if applicable

____ ALTA 9 – Restrictions, Encroachments, Minerals, if applicable

____ ALTA 18 Multiple Parcels Endorsement (if scattered site project)

____ ALTA 5.1 – Planned Unit Development, if applicable

____ Condominium Endorsement, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

___ Construction Draw Schedule with Order of Draw*
(Date Received _____) (Date Approved _____)
STATUS: _____

___ Cash or Letter of Credit for Negative Arbitrage and/or Cost of Issuance (**at time of Bond Sale Only**)
(Date Received _____) (Date Approved _____)
STATUS: _____

___ Owners Tax Certificate (Applicable to Tax-Exempt Bond Financing Only) (original to go to Bond Counsel, copy to the Agency)
Confirmation of bond counsel approval required.
(Date Received _____) (Date Approved _____)
STATUS: _____

___ Attorney Opinion Letter (for bond sale, **for rate lock if rate lock occurs outside of bond sale**; additional opinion required for loan closing)
(Date Received _____) (Date Approved _____)
STATUS: _____

___ **Final Site Plan Approval, (If applicable)**
(Date Received _____) (Date Approved _____)
STATUS: _____

___ Agreement for Payment in Lieu of Taxes*, (if applicable) (**For Preservation Loan projects, refer to the Preservation Program document checklist requirements.**)
(Date Received _____) (Date Approved _____)
STATUS: _____

Contractor Documents:

___ Certificate of Good Standing from State of Formation (current within six (6) months of anticipated **bond sale**)
(Date Received _____) (Date Approved _____)
STATUS: _____

___ New Jersey Secretary of State Authorization to do Business in New Jersey for Out-of-State Contractor, if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Construction Contract with current prevailing wages attached* if not previously provided or if changed from first contract submitted.
(Date Received _____) (Date Approved _____)
STATUS: _____

_____ Building Permits (or letter that building permits will be issued but for payment of fee)
(Date Received _____) (Date Approved _____)
STATUS: _____
NJHMFA (All documents in this section will be prepared by NJHMFA):

_____ Bond Letter with Bond Proforma/Cash Flow (Agency Form 10)* (at time of Bond Sale Only)
(Date Received _____) (Date Approved _____)
STATUS: _____

_____ Construction and Permanent Financing Agreement*
(Date Received _____) (Date Approved _____)
____ Rate Lock Addendum, if applicable
STATUS: _____

_____ Satisfaction of Agency Board Commitment Requirements, if any, unless specifically noted as loan closing requirements.
(Date Received _____) (Date Approved _____)
STATUS: _____

All numbers, including draw schedules and a final Form 10 must be completed no later than 72 hours prior to closing. In the event the numbers change on the Form 10, draw schedule, or any other numbers change within 72 hours of the scheduled closing, then the closing will be rescheduled.

IV. CLOSING REQUIREMENTS (All items are due at least two weeks before anticipated closing date.)

SPONSOR:

_____ Satisfaction of Agency Board Commitment Closing Requirements, if any.
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Guaranty for loan repayment during construction period, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

____ For Scattered Site projects only: Guaranty for loan repayment for Scattered Site
projects, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

Final Executed Operations Agreement with all Exhibits attached for Sponsoring
entity and General Partner(s) or Managing Member(s) (as applicable) (Final needed
at Closing)

____ Partnership Agreement (LP) with HMFA Statement
____ Operating Agreement (LLC) with HMFA Statement
____ By Laws (Corporation) with HMFA Statement (***HMFA Statement required***
sponsoring entity only)
(Date Received _____) (Date Approved _____)
STATUS: _____

for

____ Sponsor Resolution to Open Construction Bank Account, if applicable
***(NOTE: Only required for HMFA construction financing; not required for Home
Express construction financing.)***

____ Bank Account Signature Cards, if required by bank where account is held
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Checks and Wiring Instructions for Construction Bank Account (to include signature
line for NJHMFA), (If applicable) ***(NOTE: Only required for HMFA construction
financing; not required for Home Express construction financing.)***
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Copies of Loan Documents from other funding sources, (If applicable)
____ DCA Balanced Housing Developer's Rental Agreement executed by Sponsor,
NJHMFA Executive Director, and HAS Business Development
Coordinator. ***Please contact Natasha Encarnacion, Housing Affordability
Service ("HAS") Business Development Coordinator at NJHMFA (609) 278-***

8834 for preparation of Developer's Rental Agreement, if applicable.

Other:
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Written confirmation from investor that investment/syndication closing conditions have been fully satisfied and investor is prepared to proceed to closing, if applicable.
(Date Received _____) (Date Approved _____)
STATUS: _____

____ **Owner's / Developer's Commercial General and Umbrella Liability Insurance Certificate and Policies (Naming NJHMFA as additional insured and First Mortgagee) meeting NJHMFA Insurance Requirements**

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Builder's Risk Insurance Certificate (naming NJHMFA as First Mortgagee, Additional Insured and Loss Payee) meeting Agency Builder's Risk Insurance Specifications**

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Flood Insurance Certificate and Policy, if applicable (naming NJHMFA as First Mortgagee, Additional Insured and Loss Payee)**

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Filed Notice of Settlement (Valid for 45 days prior to closing)**

____ For Agency or Agency administered construction financing, if applicable

____ For Agency or Agency administered permanent financing, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Evidence of Errors & Omissions (E &O) coverages for insurance professional meeting NJHMFA Insurance Requirements.**

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Meets/Exceeds Certification issued by insurance professional meeting NJHMFA**

Insurance Requirements.

(Date Received _____) (Date Approved _____)

STATUS: _____

___ Deed Evidencing Title in Sponsor's Name (if applicable)
(Date Received _____) (Date Approved _____)

STATUS: _____

___ Seller's Affidavit of Title and Corporate Resolution to Sell (if applicable)
(Date Received _____) (Date Approved _____)

STATUS: _____

___ Mortgagor's and/or Grantee's Affidavit of Title*
___ For Agency or Agency administered construction financing, if applicable
___ For Agency or Agency administered permanent financing, if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

___ Resolution to Borrow*/Resolution to Accept Grant Funds*, as applicable
___ For Agency or Agency administered construction financing, if applicable
___ For Agency or Agency administered permanent financing, if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

___ Counsel Opinion from Sponsor, Attorney* **for loan closing. This opinion is required in addition to the opinion required for bond sale inclusion.**

___ For Agency or Agency administered construction financing, if applicable
___ For Agency or Agency administered permanent financing, if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

___ Payoff Letter for Any Mortgages or Other Liens to be Discharged
(Date Received _____) (Date Approved _____)

STATUS: _____

___ CPA Engagement Agreement*, (If applicable. This requirement is not applicable for project receiving only Special Needs financing.)

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Closing Bills: invoices for payment; paid invoices and cancelled checks for reimbursement
(Date Received _____) (Date Approved _____)

STATUS: _____

_____ W-9 Escrow Account forms* for Borrower/Project Entity/Buyer **and** for each vendor
(Date Received _____) (Date Approved _____)

STATUS: _____

_____ New Jersey Division of Taxation Tax Clearance Certificate (for ownership/borrowing entity)

After July 1, 2017, any applicant for certification that can't obtain a Premier Business Services account may submit a paper application (Gtb-10) for business assistance tax clearance. All others must submit their applications through the Premier Business Services Portal. The Division will return any paper application received from a business that can qualify and register for an account on the Premier Business Services portal. (Trusts, banking institutions, insurance companies, individuals, and local governments such as school districts and counties generally cannot register for a Premier Business Services account.)

How to Use Premier Business Services to Obtain Certification

If you aren't registered with Premier Business Services, visit the [Premier Business Services portal](#) and select *New Users Only – Create an Account* and follow instructions. [Detailed instructions are available](#)

If you are already registered with Premier Business Services, log in. Go to the Tax & Revenue Center. From there, select Business Incentive Tax Clearance. If your account is compliant with its tax obligations and no liabilities exist, the Business Incentive Tax Clearance can be printed directly through the portal.

Questions regarding your account may be directed to 609-292-9292 or via email at [Premier Services Registration](#).

(Date Received _____) (Date Approved _____)

Date of Clearance: _____ *(Valid for 180 days)*

STATUS _____

_____ Housing Resource Center ("HRC") registration of project. For Multifamily residential rental projects *(Not required for Special Needs projects, unless required by another Agency funding source.)*

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Confirmation of Availability of Utility Services (electric, gas, water, sewer)
NJ DEP Treatment Works Approval (Sewer), if applicable

___ Wetlands Approval, if applicable
___ CAFRA Approval
___ Pinelands Approval, if applicable
___ Resolution from Municipal/County Authority, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

___ Executed Rental Assistance Agreements, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

Architect/Engineer Documents:

___ Final Contract Drawings and Specifications, if updated since previously provided
(Date Received _____) (Date Approved _____)
STATUS: _____

___ Evidence of completion of Environmental Remediation Plans, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

Contractor Documents:

___ Termite Certification (for rehab) or Certification from Contractor that Treated Lumber will be Used (for New Construction), if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

___ 100% Payment and Performance Bond naming Sponsor and NJHMFA as Obligee* (Required for Agency Construction Financing. For Agency Permanent Financing, Sponsor has the option of providing a 10% Letter of Credit or 30% Warranty Bond in lieu of Payment and Performance Bond) **Note this guarantee will be required to exist for a period of two years post construction completion as determined by the Certificate of Occupancy date or Architect's Certificate of Substantial Completion, whichever is later. BOND IS TO BE ON AGENCY FORM AND MUST LIST THE NAME OF THE PROJECT, HMFA #, STREET ADDRESS AND LOT/BLOCK DESIGNATION ON FIRST PAGE.** For Special Needs projects, refer to Special Needs Program document checklist requirements.
(Date Received _____) (Date Approved _____)

STATUS: _____

A.M. Best Rating for Surety Provider: _____

NJHMFA:

_____ Closing Proforma/Cash Flow (Agency Form 10)* **Please note that a closing date will not be scheduled until a Closing Proforma has been finalized with the Agency.**

_____ Final Source & Uses Acknowledgement

_____ For Agency or Agency administered construction financing, if applicable.

_____ For Agency or Agency administered permanent financing, if applicable.

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Closing Statement

_____ For Agency or Agency administered construction financing, if applicable.

_____ For Agency or Agency administered permanent financing, if applicable.

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Receipt of Other Funding Sources, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Loan Documents* *For any additional Agency financing programs, refer to program specific checklist for additional loan documents required.*

_____ Financing, Deed Restriction and Regulatory Agreement

_____ Mortgage Note

_____ Mortgage & Security Agreement

_____ Assignment of Leases

_____ UCC-1 Financing Statements

_____ Assignment of Syndication Proceeds signed by Investor and Sponsor, if applicable

_____ Disbursement Agreement, if applicable

_____ Escrow Closing Agreement, if applicable

_____ Other: _____

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Tax Credits, if applicable:

Written confirmation that all requirements for Tax Credits have been received. This includes payment of all required fees.

(Date Received _____) (Date Approved _____)

STATUS: _____

V. POST-CLOSING (for Construction Only Financing) or PERMANENT LOAN CLOSING REQUIREMENTS (for Conversion from Construction to Permanent Financing, or permanent loan closing from an Agency or Agency-administered source taking out an Agency or Agency-administered construction source)

___ Updates to any date sensitive documentation, including:

___ Tax Clearance Certificate

___ Criminal Background Checks

___ Certificate of Good Standing for all entities, as required

___ Other:

(Date Received _____) (Date Approved _____)

STATUS: _____

___ Tax Credits, if applicable:

Written confirmation that all requirements for Tax Credits have been received. This includes payment of all required fees, if applicable.

(Date Received _____) (Date Approved _____)

STATUS: _____

MANAGEMENT AGENT:

___ Management Agreement Package**(in triplicate) Forms available on NJHMFA website: <http://www.state.nj.us/dca/hmfa>*

___ Self-Managed (NJHMFA form MD 103.2)

___ Broker Managed (NJHMFA form MD 103.1)

For any additional Agency financing programs, refer to program specific checklist for additional loan documents required.

(Date Received _____) (Date Approved _____)

STATUS: _____

SPONSOR:

___ Certificate of Occupancy covering all units, *if applicable*

DATE OF CERTIFICATE OF OCCUPANCY: _____

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ DCA Owner's (Building) Registration, if applicable (if not provided in Property Management's Management Agreement Package, or for existing building)
(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Final As-Built Survey (2 sealed originals certified to Sponsor, HMFA and Title Insurance Company showing as-built condition of property including location of all buildings), (If applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Final As-Built Drawings & Specifications, (If applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Architect's Certificate stating that all warranties and maintenance manuals have been delivered to and received by the Sponsor, (If applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Architect's Certificate of Substantial Completion (AIA form), *If applicable.*

DATE OF SUBSTANTIAL COMPLETION: _____

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ 100% Payment and Performance Bond naming Sponsor and NJHMFA as Obligee* (Required for Agency Construction Financing. For Agency Permanent Financing, Sponsor has the option of providing a 10% Letter of Credit or 30% Warranty Bond in lieu of Payment and Performance Bond) ***Note this guarantee will be required to exist for a period of two years post construction completion as determined by the Certificate of Occupancy date or Architect's Certificate of Substantial Completion, whichever is later. BOND IS TO STATE THE NAME OF THE PROJECT, HMFA #, STREET ADDRESS AND LOT/BLOCK DESIGNATION ON FIRST PAGE.***

For Special Needs projects, refer to Special Needs Program document checklist requirements.

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Title Policy (Post Closing)

For Special Needs projects receiving a Grant, a copy of the loan policy issued to HUD or other first mortgage lender is acceptable.

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Recorded Documents (Post Closing)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Insurance Policy covering Project naming HMFA as: a) First Mortgagee, b) Loss Payee and c) additional Insured; must meet Agency insurance specifications; original policy with paid receipt required) **PLEASE NOTE: The Agency's Insurance Division requires a full 30 days to review insurance submissions. Please keep this in mind when anticipating a closing date. (Note that an insurance certificate is not sufficient to meet this requirement. If a full insurance policy is temporarily unavailable, closing may occur if a letter is submitted from the insurance provider (not the broker) confirming that the insurance agent has the authority to bind the provider insuring the project under the Cert. of Insurance, which must be accompanied by a copy of all applicable sample policies and endorsements.)**

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Final Release and Waiver of Lien and Affidavit from General Contractor* -- including Schedule "A" – Verified List of Subcontractors, **which needs to list the following: Name of Subcontractor, Amount Paid and the Last Date worked on Site.**

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Releases from all subcontractors* (for subcontracts valued at \$10,000 and/or above), if applicable.

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Construction Cost Audit from Contractor, or audit document as otherwise approved by the Agency (may apply to Special Needs Projects)

(Date Received _____) (Date Approved _____)

STATUS: _____

ENERGY STAR:

____ Post-Construction Authorization Letter

(Date Received _____) (Date Approved _____)

STATUS: _____

Note: *This documentation must be collected prior to closing on permanent financing or at post-closing for projects with construction-to-permanent financing. Please contact the Green Homes Office for clarification.*

_____ HERS Rater Contract (Tax Credits or FRM Financing)

(Date Received _____) (Date Approved _____)

STATUS: _____

—

TAX CREDITS GREEN POINT

_____ Post-Construction Authorization Letter

(Date Received _____) (Date Approved _____)

STATUS: _____

Note: *This documentation must be collected prior closing on permanent financing or at post-closing for projects with construction-to-permanent financing. Please contact the Green Homes Office for clarification.*

_____ Loan Documents*, if applicable, for Permanent loan closing, if Agency or Agency administered construction financing has already closed. *(For any additional Agency financing programs, refer to program specific checklist for additional loan documents required.*

_____ Financing, Deed Restriction and Regulatory Agreement

_____ Mortgage Note

_____ Mortgage & Security Agreement

_____ Assignment of Leases

_____ UCC-1 Financing Statement

_____ Assignment of Syndication Proceeds signed by Investor and Sponsor, if applicable

_____ Disbursement Agreement, if applicable

_____ Escrow Closing Agreement, if applicable

_____ Tax Credit Deed of Easement and Restrictive Covenant, if applicable

_____ Errors and Omissions Statement

_____ Other: _____

(Date Received _____) (Date Approved _____)

STATUS: _____

VI. FINAL MORTGAGE CLOSEOUT

SPONSOR:

___ Consent of Surety to final payment to Contractor (AIA form), if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

___ Title rundown through date of final disbursement
(Date Received _____) (Date Approved _____)

STATUS: _____

___ Sponsor's Development Cost Audit (or audit document as otherwise approved by
the Agency (may apply to Special Needs Projects)
(Date Received _____) (Date Approved _____)

STATUS: _____

NJHMFA:

___ Final Mortgage Closing Statement
(Date Received _____) (Date Approved _____)

STATUS: _____

NJHMFA Provisions to By-Laws of Corporation:

The Corporation acknowledges that any review of the provisions of these By-Laws by the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") is performed in accordance with its responsibility as Lender and is intended only to assure that the Corporation is validly formed according to law, with the legal authority to borrow the funds which will constitute the NJHMFA Mortgage Loan and to operate the Property securing the NJHMFA Mortgage Loan. Notwithstanding any other provisions herein, the Corporation acknowledges and agrees that as a condition of obtaining the NJHMFA Mortgage Loan, that the NJHMFA statutes, rules and regulations and all the financing documents in connection with the NJHMFA Mortgage Loan, are applicable to the Corporation and the Property securing the NJHMFA Mortgage Loan. The Corporation further acknowledges that, except as contained in this Section, the NJHMFA makes no representations express or implied, as to these By-Laws; and the Corporation and the Shareholders shall not rely upon the NJHMFA review of these By-Laws.

HMFA Provisions to Partnership Agreements:

The Partnership acknowledges that any review of the provisions of this Agreement by the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") is performed in accordance with its responsibility as Lender and is intended only to assure that the Partnership is validly formed according to law, with the legal authority to borrow the funds which will constitute the NJHMFA Mortgage Loan and operate the Property securing the NJHMFA Mortgage Loan. Notwithstanding any other provisions herein, the Partnership acknowledges and agrees that as a condition of obtaining the NJHMFA Mortgage Loan, that the NJHMFA statutes, rules and regulations and all the financing documents in connection with the NJHMFA Mortgage Loan, are applicable to the Partnership and the Property securing the NJHMFA Mortgage Loan. The Partnership further acknowledges that, except as contained in this Section, the NJHMFA makes no representations express or implied, as to this Agreement; and the Partnership and the Partners shall not rely upon the NJHMFA review of this Agreement.

NJHMFA Provisions to Operating Agreement of Limited Liability Company (L.L.C.):

The Company acknowledges that any review of the provisions of this Operating Agreement by the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") is performed in accordance with its responsibility as Lender and is intended only to assure that the Company is validly formed according to law, with the legal authority to borrow the funds which will constitute the NJHMFA Mortgage Loan and to operate the Property securing the NJHMFA Mortgage Loan. Notwithstanding any other provisions herein, the Company acknowledges and agrees that as a condition of obtaining the NJHMFA Mortgage Loan, that the NJHMFA statutes, rules and regulations and all the financing documents in connection with the NJHMFA Mortgage Loan, are applicable to the Company and the Property securing the NJHMFA Mortgage Loan. The Company further acknowledges that, except as contained in this Section, the NJHMFA makes no representations express or implied, as to this Operating Agreement; and the Company and the Members shall not rely upon the NJHMFA review of this Operating Agreement.

Technical Services Requirements for Monitoring Project Construction

Whether the HMFA is making a permanent take-out loan or a construction and permanent loan, it requires that its Technical Services Division monitor the construction of the project. Listed below are the HMFA requirements please read carefully and be prepared to provide the necessary documentation and co-operation.

Contract Documents

Those documents that comprise a construction contract, the owner/developer-contractor agreement, conditions of the contract {general, supplementary, and other conditions}, plans and specifications, all addenda, modifications, and changes thereto, together with any other items stipulated as being specifically included.

Architect's Contract

That document that outlines the performance of architectural services, including analysis of project requirements, creation and development of the project design, preparation of drawings, specifications, and bidding requirements and the general administration of the construction contract. As the owner/developer's representative, the design professional should participate in the process by observing and administering the contract for construction including job site inspection, attendance at job site meetings, the creation of meeting minutes, shop drawing review, change order review, punch list inspections and so on.

Summary Trade Payment Breakdown

This document divides the total cost of construction, as established by the construction contract, into various segments related to a specific trade. This "breaking down" of the total cost of construction is reflected on the application for payment and simplifies the determination of a percentage of work complete for the purpose of making payments to the contractor.

Detailed Trade Payment Breakdown

This document further divides and refines the Summary Breakdown above into its constituent parts. For example, the plumbing line on the summary breakdown would be further developed to show its component parts including potable and nonpotable water piping, sanitary piping, gas piping, toilet and bath fixtures, kitchen fixtures, and so on. This detailed information further enhances our ability to review project costs as well as to determine a percentage of work complete for the purpose of making payments to the contractor.

Shop Drawings

These documents can be drawings, diagrams, illustrations, schedules, performance charts, brochures, and other data prepared by the contractor or any subcontractor, manufacturer, supplier, or distributor, which illustrate specific portions of the work and how they will be fabricated and installed. The contract documents usually allow for a number of choices in many portions of the work. The shop drawings are the approved choice of the owner/developer and their professional and consultants and become the reference for Agency inspections during construction.

Payment Requisitions

The contractor prepares the application according to the approved Summary Trade Payment Breakdown or Schedule of Values. The contractor submits it to the design professional for approval. The design professional reviews the application in light of his/her own observations and records and certifies an

amount that he/she feels is appropriate. If the HMFA is providing construction financing, then the application for payment is reviewed and approved by a Field Representative and the Director of Technical Services. Otherwise, the requisition is provided for information purposes only.

Change Orders

A written order to the contractor signed by the owner and the architect, issued after the execution of the contract, authorizing a change in the work and/or an adjustment in the contract sum. These changes may add to, subtract from, or vary the scope of the work. Change orders may also be used to adjust the contract time as originally defined by the contract documents. If the Agency is providing construction financing, then change orders are approved by a Field Representative and the Director of Technical Services. Otherwise, any change orders are provided for informational purposes only.

Drawing Revisions and/or Clarification Sketches

The design professional, as the author of documentation that delineates the final design of the project, is the appropriate administrator of decisions regarding their interpretation. Often, this interpretation and clarification is provided to the contractor in the form of revised drawings with "clouded" areas or by providing smaller sketches which clarify missing or confusing details. These documents enhance or build upon the contract documents and should be provided to the Agency for informational purposes and for use by field staff during project inspection.

Prevailing Wage Reports

If the HMFA is providing construction financing the contractor and its subcontractors are required to submit certified payroll reports to the Director of Technical Services. These reports will be compared to the prevailing wage within the contract documents. Otherwise, these documents are not required.

Administrative Questionnaires

If the HMFA is providing construction financing, the contractor and its subcontractors are required to complete and submit personal and corporate questionnaires. Otherwise, these documents are not required.

Subcontracts over \$25,000.

If the HMFA is providing construction financing, the contractor is required to submit fully executed subcontracts in excess of \$25,000. Those documents will be reviewed by the Director of Technical Services for compliance with the contract documents. Otherwise, these documents are not required.

Preconstruction Meeting

A meeting should be held prior to the notice to proceed being issued. These meetings provide an opportunity to clear up any unfulfilled requirements, define the role of the various members of the construction team, as well as simply providing everyone a chance to get acquainted. Many loose ends can be tied up in a timely manner at these meetings and they are highly recommended.

Notice to Proceed

This document is a written communication issued by the owner to the contractor authorizing him/her to proceed with the work. This notice establishes the date of commencement of the work and is directly related to the contractor's time of performance and the assessment of damages and/or delay claims, if applicable. The start date is necessary to create a production schedule and to monitor the contractor's performance and its compliance with the contract documents.

Construction Schedule

The construction schedule sets forth the contractor's estimate of the completion of the project. One of the

functions of this document should be to indicate the approximate degree of completion that the owner and lender can expect at each application for payment. In those instances when the Agency is providing permanent financing, the schedule provides insight regarding date of closing, the need to recommit, or the date of occupancy.

Minutes of Meetings

A record of meetings between the parties to the contract is a very important resource. During job meetings discussions can cover a wide range of topics including quality and quantity of work performed to date, change orders, requests for clarification by the contractor to the professional or owner, delays, payments, and so on. Technical Services routinely receives them for construction financed projects and should receive them on all of our permanent financed deals, as well.

Architect's Field Report

AIA Document G711 is designed to document the design professional's compliance with the duty of periodic job site inspections. [The Professional may choose to use his/her own form.] These inspections may identify problems with the work and certain corrective actions to be taken ultimately leading to the issuance of Supplemental Instructions.

Bank Inspector's Report

If a lender other than the Agency makes construction inspections, Technical Services would like to be provided copies of these reports for our review and possible comment.

**NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY
PERMANENT TAKE-OUT FINANCING
DOCUMENT CHECKLIST**

The Agency intends to provide financing for this project through the sale of taxable, tax-exempt bonds or any other funds available to the Agency. The requirements listed in Section I of this checklist must be satisfied prior to Declaration of Intent. The requirements listed in Section II of this checklist must be satisfied prior to a Mortgage Commitment. And the requirements in Section III of this checklist must be satisfied prior to the inclusion in a bond issue.

**** If this project intends to receive financing for this project through additional Agency or Agency administered programs, additional requirements are noted on the attached list of program requirements that is hereby made a part of the Project Document Checklist. Additional requirements specific to the project may also be attached.**

Closing Targeting Schedule**

Targeted Closing Date:	
DOI Board Meeting Date	
Commitment Board Meeting Date	
Bond Documents Board Meeting Date	

Please keep in mind that this is a targeted schedule that is meant to assist you in reaching your closing goal. These dates are subject to change.

**Other Agency Financing: 1.	<i>Date Closed:</i>
2.	<i>Date Closed:</i>
3.	<i>Date Closed:</i>

DATE LAST UPDATED:

PROJECT NAME:

HMFA PROJECT NUMBER:

Project Address:

Block:

Lot:

of Units:

of Beds (SN):

Type of Tax Credits:

Set Aside:

Const. Period:

Population:

COMMITMENT EXPIRATION DATE:

PARALEGAL:

Phone #:

Fax #:

e-mail:

DAG:

Phone #:

Fax #:

e-mail:

MULTIFAMILY CREDIT OFFICER:

Phone #: **Fax #:** **e-mail:**
SPECIAL NEEDS DEVELOPMENT OFFICER:

Phone #: **Fax #:** **e-mail:**

GREEN OFFICE CONTACT:

Phone #: **Fax #:** **e-mail:**

SPONSORING ENTITY/BORROWER:

Contact Person:

Address:

City, State, Zip:

Phone#: **Fax #:** **e-mail:**

CONSULTANT (If applicable):

Address:

City, State, Zip:

Phone #: **Fax #:** **e-mail:**

OWNER: (If different than borrowing entity) (SELLER)

Contact Person:

Address:

City, State, Zip:

Phone#: **Fax #:** **e-mail:**

GENERAL PARTNER:

LIMITED PARTNER:

BORROWER'S ATTORNEY:

Address:

City, State, Zip:

Phone#: **Fax #:** **e-mail:**

ARCHITECT:

Address:

City, State, Zip:

Phone #: **Fax #:** **e-mail:**

GENERAL CONTRACTOR:

Address:

City, State, Zip:

Phone #: **Fax #:** **e-mail:**

MANAGING AGENT:

Address:

City, State, Zip:

Phone #: **Fax #:** **e-mail:**

SOCIAL SERVICE PROVIDER (if Special Needs project)

Address:
City, State, Zip:
Phone #: Fax #: e-mail:

ACCOUNTANT:
Address:
City, State, Zip:
Phone #: Fax#: e-mail:

OTHER:
Address:
City, State, Zip:
Phone #: Fax #: e-mail:

PLEASE NOTE: Documents consisting of more than ten (10) pages will not be accepted in PDF format by electronic transmittal. Please send hard copies of documents consisting of more than ten (10) pages.

Code to Document Requirements:

- A - Document Received and Approved*
- NA - Not Applicable*
- R - Document Received and either (1) Under review or (2) Requires modification or update as indicated*
- * - An asterisk indicates that a New Jersey Housing and Mortgage Financing Agency form document must be used. Many forms are available on the NJHMFA website: www.state.nj.us/dca/hmfa.*
- Date - List date document was received. Once document is approved, replace this date with the date in which the document was approved.*
- Status - If document was not yet received, give a status of why document was not yet submitted. If document was received ("R"), then give the status of the approval process.*

All items are required to be submitted by the sponsoring team unless otherwise noted.

I. REQUIREMENTS FOR DECLARATION OF INTENT

SPONSOR:

___ UNIAP Application* (*For Special Needs projects, the population to be served plus the service provider must be clearly identified in the application.*)
(Date Received _____) (Date Approved _____)

STATUS: _____

___ Project Narrative, including Overview of Scope of Work (*For any additional Agency financing programs, refer to program specific checklist for additional Project Narrative requirements.*)

For Special Needs projects, refer to Special Needs Program document checklist requirements.

(Date Received _____) (Date Approved _____)

STATUS: _____

___ Preliminary Proforma/Cash Flow (Agency Form 10)*
(Date Received _____) (Date Approved _____)

STATUS: _____

___ General Site Location Map and Directions
(Date Received _____) (Date Approved _____)

STATUS: _____

___ Resume for Sponsor
(Date Received _____) (Date Approved _____)

STATUS: _____

___ Evidence of Site Control
___ Deed
___ Option Agreement
___ Contract of Sale
___ Redevelopment Agreement
___ Ground Lease or Option to Enter into Ground Lease
___ Condominium Requirements, if applicable
___ Condominium Association By-laws
___ Master Deed
___ Certificate of Formation of Condominium Association
___ Other
(Date Received _____) (Date Approved _____)

STATUS: _____

___ Resolution of Need from Municipality* (may be included in municipal resolution granting payments in lieu of taxes) (***Not applicable for projects with an existing Agency mortgage loan being refinanced under the Preservation Loan program. Resolution IS required for all other Preservation Loan projects not currently in***

the

Agency's portfolio.) (Not required for Special Needs projects, unless required by another Agency funding source.)

(Date Received _____) (Date Approved _____)

STATUS: _____

CONSTRUCTION DOCUMENTS:

___ Preliminary Drawings
(Date Received _____) (Date Approved _____)

STATUS: _____

NJHMFA (All documents in this section will be prepared by NJHMFA):

____ Site Inspection Report
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Board Resolution for Declaration of Intent
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Declaration of Intent Letter
(Date Received _____) (Date Approved _____)

STATUS: _____

II. REQUIREMENTS FOR MORTGAGE COMMITMENT

PLEASE NOTE: THE **TECHNICAL SERVICES (GREEN HIGHLIGHTS)** & **INSURANCE DIVISIONS (BLUE HIGHLIGHTS)** SHOULD BE SUBMITTED TO **TECHNICAL SERVICES & INSURANCE DIVISIONS DIRECTLY**. PLEASE NOTE THE DIVISIONS WILL NOT BEGIN REVIEW UNTIL ALL DOCUMENTS NOTED WITH SPECIFIED COLOR HIGHLIGHTS HAVE BEEN SUBMITTED IN COMPLETED FORM. IN THE CASE WHERE BOTH TECHNICAL SERVICES & INSURANCE DIVISIONS REQUIRE SAME, THEY WILL BE NOTED IN YELLOW HIGHLIGHTS.

SPONSOR:

____ Formation Certificate for Sponsor/Borrower and Managing Entity, as applicable
(Advise NJHMFA prior to formation if contemplating an Urban Renewal entity
N.J.S.A. 40A:20-1 et seq)

____ Certificate of Limited Partnership

____ Certificate of Formation (Limited Liability Company)

____ Certificate of Incorporation (required for a corporate sponsor and for any
corporate general partner or managing member and for any corporate
limited partner assigning syndication proceeds)

____ Certificate of Formation for Managing Member

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Corporate Certification and Questionnaire*, as applicable

____ Sponsoring Entity/Borrower

____ General Partner (Limited Partnership)

____ Managing Member

____ Other entity owning 10% or greater interest in sponsoring entity

____ Updating Affidavit for Questionnaire, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Personal Questionnaire for Directors and Officers of Sponsoring Entity/Borrower, Individuals Serving as General Partner or Managing Member, and any individual owning 10% or greater interest in sponsoring entity, or in the General Partner or Managing member entity/Borrower* (***For non-profit entities controlled by a Board of Directors, Personal Questionnaires should be provided for any officer of the Board.***)

____ Updating Affidavit for Questionnaire, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Criminal Background Check for Directors and Officers of Sponsoring Entity/Borrower, Individuals Serving as General Partner or Managing Member, and any individual owning 10% or greater interest in sponsoring entity or in the General Partner or Managing member entity/Borrower* (***Any individual submitting a Personal Questionnaire must submit a Criminal Background Check. For non-profit entities controlled by a Board of Directors, Criminal Background checks should be provided for any officer of the Board.***)

(Search Results are valid for 18 months from date received.)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Environmental Preliminary Assessment Report (Phase I) (pursuant to N.J.A.C. 7:26E-3.2)**

In addition, the following are required for existing structures:

____ Lead Based Paint Report/Removal Plan

____ Asbestos Containing Materials Report/Remediation Plan

____ Radon Testing/Remediation Plan

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Environmental Report (Phase II), (pursuant to N.J.A.C. 7:26E-3.3) (If applicable)**

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Resolution Granting Preliminary AND/OR Final Site Plan Approval, Subdivision and Any Zoning Variances from Municipality and County, if applicable. *For Special Needs projects, refer to Special Needs Program document checklist requirements.***

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Street Vacation Ordinances (Resolution with Proof of Publication), (if applicable)**
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Municipal Resolution Granting Payments in Lieu of Taxes*, (If applicable)
____ Agency statute is N.J.S.A. 55:14K-37.
____ The Long Term Tax Abatement falls under N.J.S.A. 40A:20-1 *et seq.*
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Agreement for Payment in Lieu of Taxes*, (If applicable) (*For Preservation Loan projects, refer to the Preservation Program document checklist requirements.*)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Financing Commitments from Other Funding Sources (*List All*)
____ Equity Commitments ()
____ Construction Lender ()
____ DCA Balanced Housing Funds: *Please contact Natasha Encarnacion, Housing Affordability Service (“HAS”) Business Development Coordinator at NJHMFA (609) 278-8834 for preparation of Developer’s Rental Agreement, if applicable.*
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Executed Rental Assistance Agreements, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Affirmative Fair Housing Marketing Plan* (*Not required for Special Needs projects, unless required by another Agency funding source.*)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Housing Resource Center (“HRC”) registration of project entity. For Multifamily residential rental projects (*Not required for Special Needs projects, unless required by another Agency funding source.*)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ **Confirmation of Availability of Utility Services (electric, gas, water, sewer)**
(Letters should be within at least 6 months of anticipated Agency commitment, if applicable)
____ Letter from Utility Companies

____ Letter from Utility Company confirming that individual metering systems will be installed within a meter room in the building, if applicable to the project type.

____ Resolution from Municipal/County Authority, if applicable

____ NJ DEP Treatment Works Approval (Sewer), if applicable

____ Wetlands Approval, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Tax Credits Projects: For only those projects receiving both special needs financing and tax credits, an analysis conducted by the applicant's accountant of anticipated project cash flow and residual value demonstrating a reasonable prospect of repayment of all loans. This analysis shall incorporate the same assumptions utilized in the cash flow proforma submitted in the application, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Tax Credits Projects: For only those projects receiving both special needs financing and tax credits, an opinion of tax counsel in support of the dollar amount of the eligible basis for the project set forth in the application. Attached to this opinion, and incorporated therein, shall be the accountant's analysis referenced below, if applicable).

(Date Received _____) (Date Approved _____)

STATUS: _____

ENERGY STAR:

____ Pre-Construction Authorization Letter

Note: This documentation must be collected prior to commitment for projects that are not receiving construction financing from NJHMFA or will start construction prior to closing on construction. Please contact the Green Homes Office for clarification.

(Date Received _____) (Date Approved _____)

STATUS: _____

TAX CREDITS GREEN POINT:

____ Pre-Construction Authorization Letter

Note: This documentation must be collected prior to commitment for projects that are not receiving construction financing from NJHMFA or will start construction prior to closing on construction funding. Please contact the Green Homes Office for clarification.

(Date Received _____) (Date Approved _____)

STATUS: _____

CONSTRUCTION DOCUMENTS:

_____ Detailed **Scope of Work** (Note: Any changes made to the scope of work must be approved by NJHMFA) **For Preservation Loan projects, refer to the Preservation Program document checklist requirements.**

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Detailed Summary Trade Payment Breakdown on AIA Form 703 (Schedule of Values) by General Contractor and based on final Contract Documents. (NOTE: Any changes to the Trade Payment Breakdown must be approved by NJHMFA.)

(Date Received _____) (Date Approved _____)

STATUS: _____

Architect/Engineer Documents:

_____ Architect's Contract* (Alternatively, if use of an AIA form permitted, Agency Addendum to contract is required*)

For Agency Bond or General Fund financing, Multifamily 5-25 or less bonded projects:

_____ **Agency Form of Architect's Contract.**

For Special Needs Only, Multifamily 5-25 units or less non-bonded projects:
_____ **AIA Form of Architect's Contract. Agency Addendum must be submitted**

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Construction Documents and Project Manual (in CSI format) must be submitted and Shall consist of Final (100%) Contract Documents showing all required construction details, cross-sections, and other information necessary to constitute a construction-ready set of project construction documents consistent with the construction contract and with all sheets bearing the same date. The drawing set must include, as a minimum:

- Approved Final Site Plans and Final Subdivision Plans (if applicable);
- Civil Engineering Drawings;
- Architectural Drawings;
- Mechanical/Electrical/Plumbing (MEP) Drawings;
- Structural Drawings;
- Fire Alarm/Suppression Drawings;
- All required construction details; and,

- A detailed project cost estimate by trade.

Prior to submittal of the final drawings, it is encouraged, but not required, to schedule a meeting with Technical Services' staff to review the information to be submitted in order to ensure that the documents will contain all the information required for approval.

Accompanying the construction drawings outlined above, one full-size paper set and one half size paper set, and electronic copies of the drawings on CD, there is to be a separate certification on Architect's letterhead bearing signature and seal stating:

This will certify that the accompanying drawings entitled "PROJECT NAME", dated "DATE OF LATEST REVISION", consisting of the documents set forth below, have been reviewed by this office and are complete, code compliant, consistent across the disciplines, and issued **for construction.**

____ **Drawing List**

List of submitted drawings, manuals, etc.

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Architect's Errors and Omission Policy/Certificate of Insurance (naming NJHMFA as Certificate Holder)**

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Geotechnical Engineering Report** (Soils Test), (If applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Survey** (2 Sealed Originals Certified to Sponsor, NJHMFA and Title Company)

A "Flood Elevation Certificate" on the DEP Form and certified by a professional should be submitted with the Survey.

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Certified Land Description**

(Date Received _____) (Date Approved _____)

STATUS: _____

Contractor Documents:

____ **Executed Construction Contract***

(Note: Federal (Davis Bacon) prevailing wages must be paid for those projects

receiving CDBG funds. Evidence of payment of Davis-Bacon wages must be included in the construction contract.)

AIA Form of Construction Contract is required with Agency Addendum attached

For Agency Bonded or General Fund financing and or FRM financings:

AIA Form of Construction Contract is required with the CDBG addendum attached.

For Special Needs Only & Conduit financing:

AIA Form of Construction Contract is required with Agency Addendum attached.

(Date Received _____) (Date Approved _____)

STATUS: _____

Evidence of ability to obtain 100% Payment & Performance Bond (With Sponsor and NJHMFA as Obligees) (Sponsor may provide 10% Letter of Credit or 30% Warranty Bond in lieu of Payment and Performance Bond) *Note this guarantee will be required to exist for a period of two years post construction completion as determined by the Certificate of Occupancy date or Architect's Certificate of Substantial Completion, whichever is later. For Special Needs projects, refer to Special Needs Program document checklist requirements.*

(Date Received _____) (Date Approved _____)

STATUS: _____

NJHMFA (All documents in this section will be prepared or obtained by NJHMFA):

Appraisal/Market Study
(Date Received _____) (Date Approved _____)

STATUS: _____

Updated Appraisal/Market Study
(Date Received _____) (Date Approved _____)

STATUS: _____

Board Resolution Authorizing Mortgage Commitment and Commitment Proforma/Cash Flow (Agency Form 10)*

(Date Received _____) (Date Approved _____)

STATUS: _____

Commitment Letter and Indemnification Deposit (Commitment Letter to be executed by Sponsor and returned with Deposit within 10 days of mortgage commitment)*

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Board Resolution Authorizing Mortgage Re-Commitment and Re-Commitment Proforma/Cash Flow (Agency Form 10)*
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Re-Commitment Letter and Re-Commitment Fee (Re-Commitment Letter to be executed by Sponsor and returned with Fee within 10 days of mortgage re-commitment)*
(Date Received _____) (Date Approved _____)
STATUS: _____

III. ADDITIONAL REQUIREMENTS FOR INCLUSION IN A BOND SALE or FOR INTEREST RATE LOCK

NOTE: *If the project will not receive bond funds or an interest rate lock, the following items will be required for closing in addition to the items noted in Section IV of this checklist.*

SPONSOR:

____ Current Operations Agreement for: (Check Which Applies)
____ Sponsoring Entity (By-laws: Corporation; Partnership Agreement: Limited Partnership; Operating Agreement: Limited Liability Company) Must contain NJHMFA statement – see end of checklist for language.
____ General Partner or Managing Member of Sponsoring Entity (Must contain NJHMFA Statement)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ DRAFT Operating Agreement with all Exhibits attached for Sponsoring Entity as it will exist once Limited Partner investor/Investor Member is included. Must contain NJHMFA Statement – see end of checklist for language)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Also need for General Partner/Managing Member if not same as original sponsoring entity.
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Certificate of Good Standing, from State of Formation, for Sponsoring Entity and All General Partner(s) or Managing Member(s) and for Limited Partner(s), Current within six (6) months of estimated **bond sale date**
(Date Received _____) (Date Approved _____)
STATUS: _____

____ New Jersey Secretary of State Authorization to do Business in New Jersey for any Out-of-State Sponsoring Entity
(Date Received _____) (Date Approved _____)

STATUS: _____

____ TEFRA Certification (TEFRA Sheet) (tax-exempt projects only)*
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Evidence of Availability of Tax Credits
____ 42M Letter (for projects using tax-exempt financing) OR
____ Reservation Letter (for projects awarded competitive tax credits)
____ Carryover Allocation or Binding Forward Commitment or 8609
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Evidence of Perfection of Subdivision (recorded subdivision deeds or filed subdivision map), if applicable.
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Copies of Loan Documents from Construction Lender
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Title Insurance Commitment and Title Related Requirements (updates required for closing)

Commitments needed for each Agency or Agency administered loan closing. For Special Needs project receiving Grant financing or HUD 811 funds, see Special Needs Document Checklist for title requirements.

NOTE: Affirmative insurance required for any exceptions in commitment that will remain at the time of closing.

- ____ Tax Search
- ____ Assessment Search
- ____ Municipal Water/Sewer Utility Search
- ____ Evidence of payment of taxes, if applicable
- ____ Evidence of payment of utilities, if applicable
- ____ Judgment Search
- ____ Sponsoring Entity
- ____ General Partner(s)/Managing member(s)
- ____ Corporate Status and Franchise Tax Search, if applicable
- ____ Tidelands and Wetlands Search
- ____ Flood Hazard Area Certification
- ____ Closing Protection Letter for Title Officer Attending Closing
- ____ Survey Endorsement insuring final survey without exceptions

- ___ Title Rundown Confirmation (in writing)
- ___ Copies of All Instruments of Record
- ___ First Lien Endorsement, (and/or Second Lien, etc.) if applicable
- ___ Environmental 8.1 Endorsement
- ___ Evidence of payment of current condominium fees/assessments, if applicable
- ___ Arbitration Endorsement

Additional Endorsements as may be required depending on project type :

- ___ ALTA 13.1 - Leasehold endorsement, if applicable
- ___ ALTA 9 – Restrictions, Encroachments, Minerals, if applicable
- ___ ALTA 18 Multiple Parcels Endorsement (if scattered site project)
- ___ ALTA 5.1 – Planned Unit Development, if applicable
- ___ Condominium Endorsement, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

- ___ Cash or Letter of Credit for Negative Arbitrage and/or Cost of **(at time of Bond Sale Only)**

(Date Received _____) (Date Approved _____)

STATUS: _____

- ___ Owner’s Tax Certificate (Applicable to Tax-Exempt Bond Financing Only) (original to go to Bond Counsel with copy to the Agency)

(Date Received _____) (Date Approved _____)

STATUS: _____

- ___ Attorney Opinion Letter (for bond sale, **for rate lock if rate lock occurs outside of bond sale**; additional opinion required for permanent loan closing)

(Date Received _____) (Date Approved _____)

STATUS: _____

- ___ Final Site Plan Approval, (If applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

Contractor Documents:

- ___ Contractor's Liability Insurance Certificate (Naming Sponsor as Additional Insured)

(Date Received _____) (Date Approved _____)

STATUS: _____

- ___ Construction Contract (Agency Addendum* required) if not previously provided or if changed from first contract submitted.

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Building Permits (or letter from municipal building department that building permits will be issued but for payment of permit fee.)

(Date Received _____) (Date Approved _____)

STATUS: _____

NJHMFA (All documents in this section will be prepared by NJHMFA):

_____ Bond Letter with Bond Proforma/Cash Flow (Agency Form 10)*
(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Permanent Financing Agreement*
_____ Rate Lock Addendum*, if applicable
_____ Satisfaction of Agency Board Commitment Conditions, if any,
unless specifically noted as loan closing requirements.

(Date Received _____) (Date Approved _____)

STATUS: _____

All numbers, including draw schedules and a final Form 10 must be completed no later than 72 hours prior to closing. In the event the numbers, draw schedule, or any other numbers change within 72 hours of the scheduled closing, then the closing will be rescheduled.

IV. CLOSING REQUIREMENTS (All items due two weeks before closing is anticipated, unless otherwise noted.)

SPONSOR:

_____ Satisfaction of Agency Board Commitment Closing Conditions, if any
(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Guaranty for loan repayment during construction period, if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

_____ For Scattered Site projects only: Guaranty for loan repayment for Scattered Site Projects, if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Certificate of Formation for LIHTC equity investor member entity
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Certificate of Good Standing from state of formation **for LIHTC investor**
member, Current within six (6) months of estimated closing date
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Final Executed Operations Agreement with all Exhibits attached for Sponsoring
Entity and General Partner(s) or Managing Member(s) (As Applicable)

____ Partnership Agreement (LP) with HMFA Statement

____ Operating Agreement (LLC) with HMFA Statement

____ By Laws (Corporation) with HMFA Statement (**HMFA Statement required
for sponsoring entity only**)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Owner's / Developer's Commercial General and Umbrella Liability Insurance
Certificate and Policies (Naming NJHMFA as additional insured and First
Mortgagee) meeting NJHMFA Insurance Requirements**

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Flood Insurance Certificate and Policy, if applicable (naming NJHMFA as First
Mortgagee, Additional Insured and Loss Payee)**

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Insurance Policy (naming NJHMFA as First Mortgagee, Lender Loss Payable
and Additional Insured) – original policy with paid receipt evidencing payment
of all premiums for first year in advance; must meet NJHMFA insurance
specifications. **PLEASE NOTE: The Agency's Insurance Division requires
a full 30 days to review insurance submissions. Please keep this in mind
when anticipating a closing date. (Note that an insurance certificate is not
sufficient to meet this requirement. If a full insurance policy is temporarily
unavailable, closing may occur if a letter is submitted from the insurance
provider (not the broker) confirming that the insurance agent has the
authority to bind the provider insuring the project under the Cert. of
Insurance.)**

A.M. Best Rating for Surety Provider: _____

(Date Received _____) (Date Approved _____)

STATUS: _____

- ____ Development Cost or Tax Credit Audit, or audit document as otherwise approved by the Agency (may apply to Special Needs Projects)
Required 6 weeks prior to anticipated closing date.
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Filed Notice of Settlement (copy of filed Notice; Notice valid for 45 days)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Deed Evidencing Title in Sponsor's name, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Seller's Affidavit of Title and Corporate Resolution to sign Loan Documents, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Mortgagor's Affidavit of Title*
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Resolution to Borrow*
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Counsel Opinion from Sponsor's Attorney* **for permanent loan closing**
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Payoff Letter for any Mortgages or other liens to be discharged along with wiring instructions for payoff
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Closing Bills: invoices for payment; paid invoices and cancelled checks (for reimbursement)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ New Jersey Division of Taxation Tax Clearance Certificate (for ownership/borrowing entity)

After July 1, 2017, any applicant for certification that can't obtain a Premier Business Services account may submit a paper application (Gtb-10) for business assistance tax clearance. All others must submit their applications through the Premier Business Services Portal. The Division will return any paper application received from a business that can qualify and register for an account on the Premier Business Services portal. (Trusts, banking institutions, insurance companies, individuals, and local governments such as school districts and counties generally cannot register for a Premier Business Services account.)

How to Use Premier Business Services to Obtain Certification

If you aren't registered with Premier Business Services, visit the [Premier Business Services portal](#) and select *New Users Only – Create an Account* and follow instructions. [Detailed instructions are available](#)

If you are already registered with Premier Business Services, log in. Go to the Tax & Revenue Center. From there, select Business Incentive Tax Clearance. If your account is compliant with its tax obligations and no liabilities exist, the Business Incentive Tax Clearance can be printed directly through the portal.

Questions regarding your account may be directed to 609-292-9292 or via email at [Premier Services Registration](#).

Date of Clearance: _____ (*Valid for 180 days*)

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ W-9 Escrow Account forms* for Borrower/Project Entity/Buyer ***and*** for each vendor

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Housing Resource Center (“HRC”) registration of project – For Multifamily Residential Rental Projects (*Not required for Special Needs projects, unless required by another Agency funding source.*)

(Date Received _____) (Date Approved _____)

STATUS: _____

Architect/Engineer Documents:

_____ **Final As-Built Contract Drawings and Specifications including As-Built Drawings**

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Evidence of completion of Environmental Remediation Plans, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ **Architect's Certificate of Substantial Completion with punchlist, *if applicable.***

DATE OF SUBSTANTIAL COMPLETION: _____

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Architect's Letter certifying all warranties and maintenance manuals were delivered to Project Sponsor
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Street Vacation Ordinances (Resolution with Proof of Publication), (If applicable)

(Date Received _____) (Date Approved _____)
STATUS: _____

____ Final As-Built Survey (2 sealed originals, certified to Sponsor, NJHMFA and Title Company) showing As-Built condition of property
(Date Received _____) (Date Approved _____)
STATUS: _____

Contractor Documents:

____ Termite Certification (for rehab) or Certification from Contractor that Treated Lumber will be Used (for New Construction)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Final Release and Waiver of Liens and Affidavit of General Contractor*, including Schedule "A" – Verified List of Subcontractors
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Releases* from all Subcontractors (all subcontracts valued at \$10,000 and/or above) (Date Received _____) (Date Approved _____)
STATUS: _____

____ Certificate of Occupancy covering all units, as applicable
DATE OF CERTIFICATE OF OCCUPANCY: _____
(Date Received _____) (Date Approved _____)
STATUS: _____

____ 100% Payment and Performance Bond naming Sponsor and NJHMFA as Obligee* (Required for Agency Construction Financing. For Agency Permanent Financing, Sponsor has the option of providing a 10% Letter of Credit or 30% Warranty Bond in lieu of Payment and Performance Bond) *Note this guarantee will be required to exist for a period of two years post construction completion as determined by the Certificate of Occupancy date or Architect's Certificate of Substantial Completion, whichever is later. BOND IS TO STATE THE NAME OF THE*

PROJECT, HMFA #, STREET ADDRESS AND LOT/BLOCK DESIGNATION ON FIRST PAGE.

For Special Needs projects, refer to Special Needs Program document checklist requirements.

(Date Received _____) (Date Approved _____)
STATUS: _____

MANAGING AGENT DOCUMENTS: These items are due to the Agency at least thirty (30) days prior to any anticipated closing.

____ Management Agreement Package* (as applicable)
(forms available on NJHMFA website: www.state.nj.us/dca/hmfa)
____ Self-Managed (NJHMFA form MD 103.2)
____ Broker Managed (NJHMFA form MD 103.1)
For Special Needs projects, refer to Special Needs Program document checklist requirements.
(Date Received _____) (Date Approved _____)
STATUS: _____

NJHMFA:

____ Closing Proforma (Agency Form 10)*
____ Final Sources and Uses Acknowledgement
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Closing Statement and Check Register
(Date Received _____) (Date Approved _____)
STATUS: _____

____ NJHMFA Determination as to Project Cost and Completion*
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Loan Documents*, if applicable, for Permanent loan closing, if Agency or Agency administered construction financing has already closed. **(For any additional Agency financing programs, refer to program specific checklist for additional loan documents required.**
____ Financing, Deed Restriction and Regulatory Agreement
____ Mortgage Note
____ Mortgage & Security Agreement
____ Assignment of Leases
____ UCC-1 Financing Statement
____ Assignment of Syndication Proceeds signed by Investor and Sponsor, if applicable

___ Disbursement Agreement, if applicable
___ Escrow Closing Agreement, if applicable
___ Tax Credit Deed of Easement and Restrictive Covenant, if applicable
___ Errors and Omissions Statement
___ Other: _____
(Date Received _____) (Date Approved _____)

STATUS: _____

___ Tax Credits:
___ Written confirmation that all requirements for Tax Credits have been received. This includes payment of all required fees.
(Date Received _____) (Date Approved _____)

STATUS: _____

V. POST CLOSING

___ Title Policy
For Special Needs projects receiving a Grant, a copy of the loan policy issued to HUD or other first mortgage lender is acceptable.
(Date Received _____) (Date Approved _____)

STATUS: _____

___ Recorded
(Date Received _____) (Date Approved _____)

STATUS: _____

___ Sponsor and NJHMFA Agreement as to Equity Base, (If applicable)
(Date Received _____) (Date Approved _____)

STATUS: _____

ENERGY STAR:

___ Copy of rebate check issued for Energy Star Certification
(Date Received _____) (Date Approved _____)

STATUS: _____

___ HERS Rater Contract (Tax Credits or FRM Financing)
(Date Received _____) (Date Approved _____)

STATUS: _____

TAX CREDITS GREEN POINT:

___ Copy of LEED Certificate
(Date Received _____) (Date Approved _____)

STATUS: _____

NJHMFA Provisions to By-Laws of Corporation:

The Corporation acknowledges that any review of the provisions of these By-Laws by the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") is performed in accordance with its responsibility as Lender and is intended only to assure that the Corporation is validly formed according to law, with the legal authority to borrow the funds which will constitute the NJHMFA Mortgage Loan and to operate the Property securing the NJHMFA Mortgage Loan. Notwithstanding any other provisions herein, the Corporation acknowledges and agrees that as a condition of obtaining the NJHMFA Mortgage Loan, that the NJHMFA statutes, rules and regulations and all the financing documents in connection with the NJHMFA Mortgage Loan, are applicable to the Corporation and the Property securing the NJHMFA Mortgage Loan. The Corporation further acknowledges that, except as contained in this Section, the NJHMFA makes no representations express or implied, as to these By-Laws; and the Corporation and the Shareholders shall not rely upon the NJHMFA review of these By-Laws.

HMFA Provisions to Partnership Agreements:

The Partnership acknowledges that any review of the provisions of this Agreement by the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") is performed in accordance with its responsibility as Lender and is intended only to assure that the Partnership is validly formed according to law, with the legal authority to borrow the funds which will constitute the NJHMFA Mortgage Loan and operate the Property securing the NJHMFA Mortgage Loan. Notwithstanding any other provisions herein, the Partnership acknowledges and agrees that as a condition of obtaining the NJHMFA Mortgage Loan, that the NJHMFA statutes, rules and regulations and all the financing documents in connection with the NJHMFA Mortgage Loan, are applicable to the Partnership and the Property securing the NJHMFA Mortgage Loan. The Partnership further acknowledges that, except as contained in this Section, the NJHMFA makes no representations express or implied, as to this Agreement; and the Partnership and the Partners shall not rely upon the NJHMFA review of this Agreement.

NJHMFA Provisions to Operating Agreement of Limited Liability Company (L.L.C.):

The Company acknowledges that any review of the provisions of this Operating Agreement by the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") is performed in accordance with its responsibility as Lender and is intended only to assure that the Company is validly formed according to law, with the legal authority to borrow the funds which will constitute the NJHMFA Mortgage Loan and to operate the Property securing the NJHMFA Mortgage Loan. Notwithstanding any other provisions herein, the Company acknowledges and agrees that as a condition of obtaining the NJHMFA Mortgage Loan, that the NJHMFA statutes, rules and regulations and all the financing documents in connection with the NJHMFA Mortgage Loan, are applicable to the Company and the Property securing the NJHMFA Mortgage Loan. The Company further acknowledges that, except as contained in this Section, the NJHMFA makes no representations express or implied, as to this Operating Agreement; and the Company and the Members shall not rely upon the NJHMFA review of this Operating Agreement.

Technical Services Requirements for Monitoring Project Construction

Whether the HMFA is making a permanent take-out loan or a construction and permanent loan, it requires that its Technical Services Division monitor the construction of the project. Listed below are the HMFA requirements please read carefully and be prepared to provide the necessary documentation and co-operation.

Contract Documents

Those documents that comprise a construction contract, the owner/developer-contractor agreement, conditions of the contract {general, supplementary, and other conditions}, plans and specifications, all addenda, modifications, and changes thereto, together with any other items stipulated as being specifically included.

Architect's Contract

That document that outlines the performance of architectural services, including analysis of project requirements, creation and development of the project design, preparation of drawings, specifications, and bidding requirements and the general administration of the construction contract. As the owner/developer's representative, the design professional should participate in the process by observing and administering the contract for construction including job site inspection, attendance at job site meetings, the creation of meeting minutes, shop drawing review, change order review, punch list inspections and so on.

Summary Trade Payment Breakdown

This document divides the total cost of construction, as established by the construction contract, into various segments related to a specific trade. This "breaking down" of the total cost of construction is reflected on the application for payment and simplifies the determination of a percentage of work complete for the purpose of making payments to the contractor.

Detailed Trade Payment Breakdown

This document further divides and refines the Summary Breakdown above into its constituent parts. For example, the plumbing line on the summary breakdown would be further developed to show its component parts including potable and nonpotable water piping, sanitary piping, gas piping, toilet and bath fixtures, kitchen fixtures, and so on. This detailed information further enhances our ability to review project costs as well as to determine a percentage of work complete for the purpose of making payments to the contractor.

Shop Drawings

These documents can be drawings, diagrams, illustrations, schedules, performance charts, brochures, and other data prepared by the contractor or any subcontractor, manufacturer, supplier, or distributor, which illustrate specific portions of the work and how they will be fabricated and installed. The contract documents usually allow for a number of choices in many portions of the work. The shop drawings are the approved choice of the owner/developer and their professional and consultants and become the reference for Agency inspections during construction.

Payment Requisitions

The contractor prepares the application according to the approved Summary Trade Payment Breakdown or Schedule of Values. The contractor submits it to the design professional for approval. The design professional reviews the application in light of his/her own observations and records and certifies an

amount that he/she feels is appropriate. If the HMFA is providing construction financing, then the application for payment is reviewed and approved by a Field Representative and the Director of Technical Services. Otherwise, the requisition is provided for information purposes only.

Change Orders

A written order to the contractor signed by the owner and the architect, issued after the execution of the contract, authorizing a change in the work and/or an adjustment in the contract sum. These changes may add to, subtract from, or vary the scope of the work. Change orders may also be used to adjust the contract time as originally defined by the contract documents. If the Agency is providing construction financing, then change orders are approved by a Field Representative and the Director of Technical Services. Otherwise, any change orders are provided for informational purposes only.

Drawing Revisions and/or Clarification Sketches

The design professional, as the author of documentation that delineates the final design of the project, is the appropriate administrator of decisions regarding their interpretation. Often, this interpretation and clarification is provided to the contractor in the form of revised drawings with “clouded” areas or by providing smaller sketches which clarify missing or confusing details. These documents enhance or build upon the contract documents and should be provided to the Agency for informational purposes and for use by field staff during project inspection.

Prevailing Wage Reports

If the HMFA is providing construction financing the contractor and its subcontractors are required to submit certified payroll reports to the Director of Technical Services. These reports will be compared to the prevailing wage within the contract documents. Otherwise, these documents are not required.

Administrative Questionnaires

If the HMFA is providing construction financing, the contractor and its subcontractors are required to complete and submit personal and corporate questionnaires. Otherwise, these documents are not required.

Subcontracts over \$25,000.

If the HMFA is providing construction financing, the contractor is required to submit fully executed subcontracts in excess of \$25,000. Those documents will be reviewed by the Director of Technical Services for compliance with the contract documents. Otherwise, these documents are not required.

Preconstruction Meeting

A meeting should be held prior to the notice to proceed being issued. These meetings provide an opportunity to clear up any unfulfilled requirements, define the role of the various members of the construction team, as well as simply providing everyone a chance to get acquainted. Many loose ends can be tied up in a timely manner at these meetings and they are highly recommended.

Notice to Proceed

This document is a written communication issued by the owner to the contractor authorizing him/her to proceed with the work. This notice establishes the date of commencement of the work and is directly related to the contractor's time of performance and the assessment of damages and/or delay claims, if applicable. The start date is necessary to create a production schedule and to monitor the contractor's performance and its compliance with the contract documents.

Construction Schedule

The construction schedule sets forth the contractor's estimate of the completion of the project. One of the

functions of this document should be to indicate the approximate degree of completion that the owner and lender can expect at each application for payment. In those instances when the Agency is providing permanent financing, the schedule provides insight regarding date of closing, the need to recommit, or the date of occupancy.

Minutes of Meetings

A record of meetings between the parties to the contract is a very important resource. During job meetings discussions can cover a wide range of topics including quality and quantity of work performed to date, change orders, requests for clarification by the contractor to the professional or owner, delays, payments, and so on. Technical Services routinely receives them for construction financed projects and should receive them on all of our permanent financed deals, as well.

Architect's Field Report

AIA Document G711 is designed to document the design professional's compliance with the duty of periodic job site inspections. [The Professional may choose to use his/her own form.] These inspections may identify problems with the work and certain corrective actions to be taken ultimately leading to the issuance of Supplemental Instructions.

Bank Inspector's Report

If a lender other than the Agency makes construction inspections, Technical Services would like to be provided copies of these reports for our review and possible comment.

**FORM OF
RESOLUTION OF NEED FROM MUNICIPALITY**

[NOTE: this may be used for Agency financing only]

WHEREAS, _____ (hereinafter referred to as the “Sponsor”) proposes to construct a (*) _____ housing project (hereinafter referred to as the “project”) pursuant to the provisions of the New Jersey Housing and Mortgage Finance Agency Law of 1983, as amended (N.J.S.A. 55:14K-1 et seq.), the rules promulgated thereunder at N.J.A.C. 5:80-1.1 et seq., and all applicable guidelines promulgated thereunder (the foregoing hereinafter collectively referred to as the “HMFA Requirements”) within the _____ of _____ (hereinafter referred to as the “Municipality”) on a site described as Lot _____, Block _____ as shown on the Official Assessment Map of the _____ of _____, _____ County and commonly known as _____, _____ [project name and/or street address], New Jersey; and

WHEREAS, the Project will be subject to the HMFA Requirements and the mortgage and other loan documents executed between the Sponsor and the New Jersey Housing and Mortgage Finance Agency (hereinafter referred to as the “Agency”); and

WHEREAS, pursuant to the HMFA Requirements, the governing body of the Municipality hereby determines that there is a need for this housing project in the Municipality.

NOW, THEREFORE, BE IT RESOLVED by the Council of the _____ of _____ (the “Council”) that:

- (1) The Council finds and determines that the (*) _____ Project proposed by the Sponsor meets or will meet an existing housing need;
- (2) The Council does hereby adopt the within Resolution and makes the determination and findings herein contained by virtue of, pursuant to, and in conformity with the provisions of the HMFA Law to enable the Agency to process the Sponsor’s application for Agency funding to finance the Project.

(*) Please include Project Name and available descriptive information about the project – number of units, family or senior citizen, low- or moderate-income.

Housing Projects Only
(form revised April 2009)

[FORM OF]
AGREEMENT FOR PAYMENT IN LIEU OF TAXES

_____, HMFA #(s) _____
Insert project name and Agency number(s) above.

THIS AGREEMENT, made this ____ day of _____, 19____, between _____, a [limited partnership, limited liability company, corporation] of the State of _____, having its principal office at _____ (hereinafter the "Sponsor") and the _____ of _____, a municipal corporation in the County of _____ and State of New Jersey (hereinafter the "Municipality").

WITNESSETH

In consideration of the mutual covenants herein contained and for other good and valuable consideration, it is mutually covenanted and agreed as follows:

1. This Agreement is made pursuant to the authority contained in Section 37 of the New Jersey Housing and Mortgage Finance Agency Law of 1983 (N.J.S.A. 55:14K-1 et seq.) (hereinafter "HMFA Law") and a Resolution of the Council of the Municipality dated _____, 19____, (the "Resolution") and with the approval of the New Jersey Housing and Mortgage Finance Agency (hereinafter the "Agency"), as required by N.J.S.A. 55:14K-37.

2. The Project is or will be situated on that parcel of land designated as Block _____, Lot _____ as shown on the Official Assessment Map of the _____ of _____, and more commonly referred to as _____, New Jersey.

3. As of the date the Sponsor executes a first mortgage upon the Project in favor of the Agency (hereinafter referred to as the "Agency Mortgage"), the land and improvements comprising the Project shall be exempt from real property taxes, provided that the Sponsor shall make payments in lieu of taxes to the Municipality as provided hereinafter. The exemption of the Project from real property taxation and the sponsor's obligation to make payments in lieu of taxes shall not extend beyond the date on which the Agency Mortgage is paid in full, which, according to the HMFA Law, may not exceed fifty (50) years.

4. (a) For projects receiving construction and permanent financing from the Agency, the Sponsor shall make payment to the Municipality of an annual service charge in lieu of taxes in such amount as follows:

- (1) From the date of the execution of the Agency Mortgage until the date of substantial completion of the Project, the Sponsor shall make payment to the municipality in an amount equal to _____ (pursuant to the HMFA Law, the annual amount may not exceed the amount of taxes due on the property for the year preceding the recording of the Agency Mortgage). As used herein, "Substantial Completion" means the date upon which the Municipality issues the Certificate of Occupancy for all units in the Project.
- (2) From the date of Substantial Completion of the Project and for the remaining term of the NJHMFA Mortgage, the Sponsor shall make payment to the Municipality in an amount equal to 6.28 percent of Project Revenues.

(b) For Projects receiving permanent financing only from the Agency, the Sponsor shall make payment to the Municipality in an amount equal to 6.28 percent of Project Revenues from the date of the Agency Mortgage and for the remaining term of the Agency Mortgage.

(c) As used herein, "Project Revenues" means the total annual gross rental or carrying charge and other income of the Sponsor from the Project less the costs of utilities furnished by the Project, which shall include the costs of gas, electricity, heating fuel, water supplied, and sewage charges, and less vacancies if any. Project Revenues shall not include any rental subsidy contributions received from any federal or state program.

(d) The amount of payment in lieu of taxes to be paid pursuant to paragraphs (a) or (b) and (c) above is calculated in Exhibit "A" attached hereto. It is expressly understood and agreed that the revenue projections provided to the Municipality as set forth in Exhibit "A" and as part of the Sponsor's application for an agreement for payments in lieu of taxes are estimates only. The actual payments in lieu of taxes to be paid by the Sponsor shall be determined pursuant to Section 5 below.

5. (a) Payments by the Sponsor shall be made on a quarterly basis in accordance with bills issued by the Tax Collector of the Municipality in the same manner and on the same dates as real estate taxes are paid to the Municipality and shall be based upon Project Revenues of the previous quarter. No later than three (3) months following the end of the first fiscal year of operation after (i) the date of Substantial Completion (for projects receiving construction and permanent financing) or (ii) the date of the Agency Mortgage (for projects receiving permanent financing only) and each year thereafter that this Agreement remains in effect, the Sponsor shall submit to the Municipality a certified, audited financial statement of the operation of the Project (the "Audit"), setting forth the Project Revenues and the total payments in lieu of taxes due to the Municipality calculated at 6.28 percent of Project Revenues as set forth in the Audit (the "Audit Amount"). The Sponsor simultaneously shall pay the difference, if any, between (i) the Audit Amount and (ii) payments made by the Sponsor to the Municipality for the preceding fiscal year. The Municipality may accept any such payment without prejudice to its right to challenge the amount due. In the event that the payments made by the Sponsor for any fiscal year shall exceed the Audit Amount for such fiscal year, the Municipality shall credit the amount of such excess to the account of the Sponsor.

(b) All payments pursuant to this Agreement shall be in lieu of taxes and the Municipality shall have all the rights and remedies of tax enforcement granted to Municipalities by law just as if said payments constituted regular tax obligations on real property within the Municipality. If, however, the Municipality disputes the total amount of the annual payment in lieu of taxes due it, based upon the Audit, it may apply to the Superior Court, Chancery Division for an accounting of the service charge due the Municipality, in accordance with this Agreement and HMFA Law. Any such action must be commenced within one year of the receipt of the Audit by the Municipality.

(c) In the event of any delinquency in the aforesaid payments, the Municipality shall give notice to the Sponsor and NJHMFA in the manner set forth in 9(a) below, prior to any legal action being taken.

6. The tax exemption provided herein shall apply only so long as the Sponsor or its successors and assigns and the Project remain subject to the provisions of the HMFA Law and Regulations made thereunder and the supervision of the Agency, but in no event longer than the term of the Agency Mortgage. In the event of (a) a sale, transfer or conveyance of the Project by the Sponsor or (b) a change in the organizational structure of the Sponsor, this Agreement shall be assigned to the Sponsor's successor and shall continue in full force and effect so long as the successor entity qualifies under the HMFA Law or any other state law applicable at the time of the assignment of this Agreement and is obligated under the Agency Mortgage.

Upon the payment in full of the Agency Mortgage, the Sponsor or its successor, as applicable, shall give notice to the Municipality within ten (10) business days of the date the Agency Mortgage is paid.

7. Upon any termination of such tax exemption, whether by affirmative action of the Sponsor, its successors and assigns, or by virtue of the provisions of the HMFA Law, or any other applicable state law, the Project shall be taxed as omitted property in accordance with the law.

8. The Sponsor, its successors and assigns shall, upon request, permit inspection of property, equipment, buildings and other facilities of the Project and also documents and papers by representatives duly authorized by the Municipality. Any such inspection, examination or audit shall be made during reasonable hours of the business day, in the presence of an officer or agent of the Sponsor or its successors and assigns.

9. Any notice or communication sent by either party to the other hereunder shall be sent by certified mail, return receipt requested, addressed as follows:

(a) When sent by the Municipality to the Sponsor, it shall be addressed to _____ or to such other address as the Sponsor may hereafter designate in writing and a copy of said notice or communication by the Municipality to the Sponsor shall be sent by the Municipality to the New Jersey Housing and Mortgage Finance Agency, 637 South Clinton Avenue, P.O. Box 18550, Trenton, New Jersey 08650-2085.

(b) When sent by the Sponsor to the Municipality, it shall be addressed to

the _____ or to such other address as the Municipality may designate in writing; and a copy of said notice or communication by the Sponsor to the Municipality shall be sent by the Sponsor to the New Jersey Housing and Mortgage Finance Agency, 637 South Clinton Avenue, P.O. Box 18550, Trenton, New Jersey 08650-2085.

10. In the event of a breach of this Agreement by either of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, either party may apply to the Superior Court, Chancery Division, to settle and resolve said dispute in such fashion as will tend to accomplish the purposes of the HMFA Law.

11. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. It shall not be necessary in making proof of this Agreement to produce or account for more than a sufficient number of counterparts to evidence the execution of this Agreement by each party hereto.

ATTEST

SPONSOR:

By: _____

By: _____

ATTEST

MUNICIPALITY:

By: _____

FORM OF
TAX ABATEMENT RESOLUTION

WHEREAS, _____ (hereinafter

referred to as the "Sponsor") proposes to construct a housing project [_____ *insert some descriptive information about the project- name, number of units, multi family, senior, high, mid, low-rise*] (hereinafter referred to as the "Project") pursuant to the provisions of the New Jersey Housing and Mortgage Finance Agency Law of 1983, as amended (N.J.S.A. 55:14K-1 et seq.), the rules promulgated thereunder at N.J.A.C. 5:80-1 et seq., and all applicable guidelines (the foregoing hereinafter referred to as the "HMFA Requirements") within the municipality of _____ (hereinafter referred to as the "Municipality") on a site described as Lot _____, Block _____ as shown on the Official Assessment Map of the _____ of _____, _____ County and commonly known as [street address]; and

WHEREAS, the Project will be subject to the HMFA Requirements and the mortgage and other loan documents executed between the Sponsor and the New Jersey Housing and Mortgage Finance Agency (hereinafter referred to as the "Agency"); and

[INCLUDE THIS PARAGRAPH IF AGENCY BOND FINANCING IS PART OF THE PROJECT'S PROPOSED FUNDING]: WHEREAS, the Project will be subject to the HMFA Requirements and the mortgage and other loan documents executed between the Sponsor and the Agency; and

WHEREAS, pursuant to the HMFA Requirements, the governing body of the Municipality hereby determines that there is a need for this housing project in the Municipality; and

WHEREAS, the Sponsor has presented to the Municipal Council a revenue projection for the Project which sets forth the anticipated revenue to be received by the Sponsor from the operation of the Project as estimated by the Sponsor and the Agency, a copy of which is attached hereto and made a part hereof as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED by the Council of the _____ of _____ (the "Council") that:

- (1) The Council finds and determines that the proposed Project will meet or meets an existing housing need;
- (2) The Council does hereby adopt the within Resolution and makes the determination and findings herein contained by virtue of, pursuant to, and in the conformity with the provisions of the HMFA Requirements with the intent and purpose that the Agency shall rely thereon in making a mortgage loan to the Sponsor, which shall construct, own and operate the Project; and
- (3) The Council does hereby adopt the within Resolution with the further intent and purpose that from the date of execution of the Agency mortgage, the proposed Project, including both the land and improvements thereon, will be exempt from real property taxation as provided in the HMFA Requirements, provided that payments in lieu of taxes for municipal services supplied to the Project are made to the municipality in such amounts and manner set forth in the Agreement for Payments in Lieu of Taxes attached hereto as Exhibit "B"; and

- (4) The Council hereby authorizes and directs the Mayor of the _____ of _____ to execute, on behalf of the municipality, the Agreement for Payments in Lieu of Taxes in substantially the form annexed hereto as Exhibit "B"; and
- (5) The Council understands and agrees that the revenue projections set forth in Exhibit "A" are estimates and that the actual payments in lieu of taxes to be paid by the Sponsor to the municipality shall be determined pursuant to the Agreement for Payments in Lieu of Taxes executed between the Sponsor and municipality.

Revised 2-23-04

NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY
P.O. Box 18550, 637 S. Clinton Ave., Trenton, N J 08650-2085

Bond No.: _____ HMFA Project No. _____
Project Name: _____

PAYMENT AND PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS, that We, the undersigned

_____, located at _____, as Principal, and _____, as Surety, are hereby held and firmly bound unto _____ (the "Owner") and the **NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY** (the "Lender"), the Owner and Lender being hereinafter collectively referred to as the "Obligee," in the penal sum of _____ (\$ _____) DOLLARS, for the payment of which well and truly to be made, Principal and Surety hereby jointly and severally bind themselves, their heirs, executors, administrators, successors and assigns.

Signed, this _____ day of _____, 20____.

WHEREAS, the Principal entered into a written contract with the Owner, dated _____ (the "Contract"), which Contract was made for the construction, rehabilitation, repair or improvement of a housing project (the "Project") and which Contract is made a part of this bond the same as though set forth herein; and

WHEREAS, the Lender has agreed to lend the Owner a sum of money to be secured by a mortgage on the Project, which money will be used in making payments to the Principal under the terms of the Contract.

Now, if Principal shall well and faithfully do and perform all of the things agreed by it to be done and performed according to the terms of the Contract, and shall pay all lawful claims of subcontractors, material men, laborers, persons, firms or corporations for labor performed or materials, provisions, provender or other supplies or teams, fuels, oils, implements or machinery furnished, used or consumed in the carrying forward, performing, or completing of the Contract, We agreeing and assenting that this undertaking shall be for the benefit of any subcontractor, material man, laborer, person, firm or corporation having a just claim as well as for the Obligee herein, then this obligation shall be void; otherwise the same shall remain in full force and effect; it being expressly understood and agreed that the liability of the surety for any and all claims hereunder shall in no event exceed the penal amount of this obligation as herein stated.

The Surety hereby stipulates and agrees that no modifications, omissions or additions in or to the terms of the Contract or in or to the plans or specification therefore shall in any way affect the obligation of the Surety on this bond.

(SEAL)

ATTEST:

Title

Principal
by: _____

Title

ATTEST: _____

by: _____ **Surety**

_____ Title

(SEAL) _____

Title

MAINTENANCE/WARRANTY BOND

KNOW ALL PERSONS BY THESE PRESENTS:

That we, [Insert Owner's name] as Principal, (herein called the "Principal") and [Insert Insurance Co. Name] as Surety, a _____ corporation duly licensed to transact business in the State of New Jersey (hereinafter called the "Surety") are held and firmly bound unto

New Jersey Housing and Mortgage Finance Agency

in the sum of _____ Dollars (\$ _____) for the payment of which sum well and truly to be made. We the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

Sealed with our seals and dated this ____ day of _____, 20__.

WHEREAS, the said Principal has heretofore entered into a Financing Deed Restriction and Regulatory Agreement (the "Contract") with said Obligee dated _____, 20__ for the financing of the multifamily residential rental project located at _____ in the _____ of _____, State of New Jersey, said project known as _____, (hereinafter, the "Project")and;

WHEREAS, the said Principal is required to guarantee the construction of the Project developed under said Contract against defects in materials or workmanship which may develop during the period beginning on the ____ day of _____, 20__, and ending on the ____ day of _____, 20__.
[Must include a two year time period]

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if said Principal shall faithfully carry out and perform the said guarantee, and shall, on due notice, repair and make good at its own expense any and all defects in materials or workmanship in the said work which may develop during the period specified above and shall pay over, make good and reimburse to the said obligee any loss said obligee may sustain by reason of failure or default of said Principal so to do, then this obligation shall be null and void; otherwise shall remain in full force and effect.

In no even shall losses paid under this bond aggregate more than the amount of this bond.

Principal

By: _____

Surety

By: _____

s:\closedoc\permfin\warrantybond

Standby Letter of Credit Department
ADDRESS
SWIFT:

D R A F T

Issue Date:

**IRREVOCABLE STANDBY LETTER OF CREDIT
NUMBER: _____**

BENEFICIARY

New Jersey Housing and Mortgage Finance Agency
P.O. Box 18550

APPLICANT

637 South Clinton Avenue
Trenton, NJ 08611

EXPIRATION: At our counters on:

We hereby open our Irrevocable Standby Letter of Credit for the account of _____ (the "Project Owner") in the aggregate amount of USD _____ (_____ U.S. Dollars) available by payment against the following documents:

1. The beneficiary's draft(s) drawn on us at sight, duly endorsed on the reverse side thereof, and bearing the clause: "Drawn under _____ Bank, N.A. Standby Letter of Credit number xxxx".
2. A typewritten statement on the letterhead of and purportedly signed by the Secretary or Assistant Secretary of New Jersey Housing and Mortgage Finance Agency certifying that: "Funds drawn under this Letter of Credit are for **[insert purpose/uses of LOC]** for the _____ **Project**. Therefore, we demand payment of \$ _____ under _____ Bank, N.A. Standby Letter of Credit number xxxx".
3. The original of this Letter of Credit and all amendments, if any, for our endorsement. (If your demand represents a partial drawing hereunder, we will endorse the original Letter of Credit and return same to you for possible future claims. If, however, your demand represents a full drawing or if such drawing is presented on the day of the relevant expiration date hereof, we will hold the original for our files and remove same from circulation.

This Irrevocable Letter of Credit sets forth in full the terms of our undertaking. This undertaking shall not in any way be revoked, modified, amended or amplified by reference to any document, instrument or contract referred to herein or in which this Letter of Credit is referred to or to which this Letter of Credit relates and any such reference shall not be deemed to incorporate herein by reference any document or instrument.

IRREVOCABLE STANDBY LETTER OF CREDIT

NUMBER: XXXX

DATE OF ISSUE: Month, Date, Year

PAGE 2 OF 2

We hereby agree that draft(s) drawn under and in compliance with the terms and conditions of this credit shall be duly honored if presented together with document(s) as specified and the original of this credit on or before the above stated expiry date.

This Letter of Credit is subject to and governed by the laws of the State of New Jersey and the Uniform Customs and Practice for Documentary Credits, International

Chamber of Commerce Publication No. 600, and in the event of any conflict, the laws of the State of New Jersey will control. If this Credit expires during an interruption of business as described in Article 36 of said Publication 600, the Bank hereby specifically agrees to effect payment if this Credit is drawn against within thirty (30) days after resumption of our business.

_____ **BANK, N.A.**

Authorized Signature

Note to Applicant: This approval "box" will not be a part of the issued Standby Letter of Credit, but must be signed as indicated below and the originally signed copy forwarded to the Branch Manager or the Standby Letter of Credit Department.

We have read, understood and fully agree with the entire language of this draft, and instruct _____ Bank, N.A. to issue its Irrevocable Standby Letter of Credit accordingly. This draft is an integral part of _____ Bank's Application and Agreement for Standby Letter of Credit form.

APPLICANT

Branch Manager

Authorized Signature

Date

Authorized Signature

Date