

DHCD announces the availability of approximately \$660,000 in **Neighborhood Stabilization Program** (NSP) funds for the development of foreclosed-upon residential properties by for-profit and nonprofit organizations. DHCD will review applications on a first-come, first-serve basis.

Interested parties are invited to attend a meeting on December 17 at 10 AM at 417 E. Fayette Street, 3<sup>rd</sup> Floor.

In reviewing applications for NSP funds, DHCD will consider the following **criteria**:

- Applicant's financial strength,
- Applicant's capacity to complete the project in a timely manner, based primarily upon previous projects of similar size and scope undertaken by the applicant,
- Applicant's experience in complying with the rules and regulations of similar federal, state, and local programs,
- Applicant's ability to secure 100% of the funds required for the project,
- Capacity of development team, including architect, contractor, and property manager, where applicable, and
- Evidence that acquisition and rehabilitation of the property will strengthen the local real estate market and will remove blight from the neighborhood.

**Threshold criteria:**

The property must meet the HUD definition of abandoned or foreclosed. The Federal regulations state that "A home is abandoned when mortgage or tax foreclosure proceedings have been initiated for that property, no mortgage or tax payments have been made by the property owner for at least 90 days, AND the property has been vacant for at least 90 days" and that "A property 'has been foreclosed upon' at the point that, under state or local law, the mortgage or tax foreclosure is complete. HUD generally will not consider a foreclosure to be complete until after the title for the property has been transferred from the former homeowner under some type of foreclosure, in accordance with state or local law."

The property must be in a neighborhood shaded on the attached map.

The zoning for the property must currently allow the # of units proposed by the applicant.

The residents of rental units must have a household income that does not exceed 50% of Area Median Income upon move-in. The purchasers of for-sale units must have a household income that does not exceed 120% of Area Median Income upon move-in.

**Documents:**

All applicants must submit the MBE/WBE Contract and Section 3 Certification forms.

Applicants who wish to develop rental units must complete the attached NSP Application-Rental form and submit a rental development pro forma and rental operating pro forma---you may use the attached pro formas as a template.

Applicants who wish to develop for-sale units must complete the attached NSP Application-Home Ownership form and submit a for-sale development pro forma---you may use the attached pro forma as a template.

**Questions:**

Please send any questions to Alan Kaufmann at [alan.kaufmann@habc.org](mailto:alan.kaufmann@habc.org)