



Use of AHP Subsidy for Homeownership New Construction or Acquisition, Rehabilitation, and Resale

In cases where AHP subsidy is being used to pay for hard construction costs or development subsidy in a homeownership new construction or acquisition, rehabilitation, and resale project the following conditions and requirements apply:

Conditions and Requirements:

- i. If the sales price exceeds the total development cost of the home the difference between the two is developer fee and subject to the limitations outlined in Attachment B: Feasibility Guidelines, Table 4: Feasibility Guidelines for Homeownership Project Criteria in the Implementation Plan.
- ii. All non-forgivable liens for the unit cannot exceed appraised value. In addition to providing cost validation documentation for expenses to be reimbursed with AHP funding, documentation must also include first and subsequent mortgages, the homebuyer's closing disclosure, and an independent appraisal for each homeowner.
- iii. AHP subsidy can be requested for reimbursement only after the home is complete, has closed, and all documentation outlined in subparagraph ii above has been submitted.