



MISSISSIPPI HOME CORPORATION
DEVELOPMENT LENDING PROGRAM



MAHDF
REVOLVING LOAN
FUND

For more information, visit our website at www.mshomecorp.com.

735 Riverside Drive ♦ Jackson ♦ MS ♦ 39202

TEL. (601) 718-4642 FAX (601) 718-4643

LOAN REQUEST GUIDE

PREPARING A LOAN PROPOSAL

Applicants may request a loan by downloading the application available at www.mshomecorp.com (under the “Developers” tab) or by contacting the Commercial Lending and Asset Management Department at (601)718-4642.

REQUESTED LOAN INFORMATION

Indicate requested loan amount and type of loan (*acquisition, new construction, rehabilitation, or site development*), and project information.

BORROWER’S INFORMATION

This section of the application contains information regarding a potential borrower, including the following:

General Information

- Provide Borrower’s Name as it appears on Articles of Incorporation or Partnership Agreement.
- Provide tax identification number for business entity
- Indicate type of business entity (*non-profit, for-profit corporation, partnership, etc.*)
- Name of Guarantor(s) of loan and social security number(s).

Borrower’s Experience

- Description of the experience, qualifications, and capacity of the Borrower to carry out the proposed project, and experience with the type of proposed project. Include type of housing previously constructed and/or managed, number of units, and dates completed.
- A description of the qualifications of key personnel.
- Describe Borrower’s role in the development (i.e. developer, owner, investor, manager, etc.)

DEVELOPMENT TEAM INFORMATION

Provide name, address, phone number, and contact person for each member of the development team such as: borrower, general contractor, architect, engineer, construction manager, management agent, consultant, accountant, attorney, governmental entity, lender(s), and other key members. Provide a description of the qualifications of key members.

PROJECT NARRATIVE

Project Summary

Provide an overall project summary that describes the needs this project will meet, financing or grants from other sources, the estimated time the other funding will be received, and the reason why MHC funds are needed.

Property Description

- Appraised value (“as is” and “with improvements”)
- Location
- Neighborhood characteristics
- Number of units / bedrooms / bathrooms
- Square foot per unit / total square footage

Project Specifics

- Project name
- Expected monthly rent per unit
- Relocation plan-describe plans to deal with any tenants who will be forced to relocate (either permanently or temporarily) as a result of demolition or rehab.
- Construction schedule – timetable for completing project including site development, construction, and lease-up of units. Include a schedule for funding requests under the RLF loan commitment.

PROJECT FEASIBILITY

Sources of Funds

This section of the application provides information on all of the sources of funding for the project including all private and government grants and loans, cash, and value of in-kind services, or material contribution. It also provides information on the status of other financing (i.e. proposed, requested or approved). Applicants should provide copies of commitment letters, if available.

Uses of Funds

This section describes how the RLF loan will be used in conjunction with other funds to carry out the project including architectural and engineering cost estimates, types of loans requested, rate and terms, and the purpose of the loan.

Multifamily projects should include a Pro-Forma and cash flow analysis covering the proposed period of the loan.

Market Demand

Market Feasibility provides information supporting the need for the type of housing to be provided, the condition of existing units, vacancy rates, and the cost of existing housing in the project's market area. Market feasibility provides information that indicates the units will be affordable to eligible households in the target area and information on available tenants, (i.e. number of households on a public housing agency waiting list).

ADDITIONAL INFORMATION

This section includes any additional information pertaining to this loan request such as program elements, regulatory requirements, and time-table factors. A proposed loan is considered to have program elements if such services are provided as in-house counseling for the homeless, employment and education referral service, 24-hour supervision, medical services, etc.

ATTACHMENTS (Located in the application packet)

Financial Statements

This form must be completed for all loans. Borrowers must provide personal financial statements as well as business financial statements.

Development 1-Year Pro Forma

This form is completed for Multifamily Rental Development projects. It is a projected budget for the first 12 months of the proposed project. (See Attachment D)

Sources and Uses Statement

This form lists all sources of funds for the proposed project as well as itemizes all project costs.

Cost Estimate Worksheet

This form lists all cost associated with the construction of a unit.

SUBMITTING A LOAN PROPOSAL PACKAGE

Applications for the RLF loan may be submitted at any time. The following must accompany the application:

- \$350.00 Non-Refundable Application fee
- Required Documentation Checklist & Certification form executed by borrower(s)
- Loan Proposal Application
- Attachments and required documents that support application

Loan Proposal Packages may be submitted to:

Mississippi Home Corporation
Attn: Commercial Lending & Asset Management Department
735 Riverside Drive
Jackson, MS 39202

Questions or comments regarding the RLF application process can be directed to Charlotte Edwards at 601-718-4639 or charlotte.edwards@mshc.com or LaTrinda Vaughan at 601-718-4618 or latrinda.vaughan@mshc.com.

**MISSISSIPPI AFFORDABLE HOUSING DEVELOPMENT FUND (MAHDF)
Loan Proposal Application**

I. LOAN INFORMATION

Loan Type

- Acquisition
 New Construction

- Rehabilitation
 Site Development

Other: _____

REQUESTED LOAN AMOUNT
\$ _____

PROJECT NAME	LOCATION (INCLUDE COUNTY)	NO. OF UNITS/LOTS	SIZE (ACRES)
SALES PRICE	APPRAISED VALUE	ESTIMATED PROJECT COST	
\$ _____	\$ _____	\$ _____	

II. BORROWER INFORMATION

BORROWER NAME	BUSINESS MAILING ADDRESS		EID/TIN
CONTACT PERSON	TELEPHONE NUMBER	FAX NUMBER	EMAIL ADDRESS

MAJOR PRINCIPAL(S)/ GUARANTOR NAME / TITLE	MAILING ADDRESS	TELEPHONE NUMBER	SSN

BORROWER TYPE (CHECK ONE)		
<input type="checkbox"/> NONPROFIT 501C3	<input type="checkbox"/> PARTNERSHIP	<input type="checkbox"/> PLANNING & DEVELOPMENT DISTRICT
<input type="checkbox"/> FOR-PROFIT CORPORATION	<input type="checkbox"/> LIMITED EQUITY COOP	<input type="checkbox"/> PUBLIC HOUSING AGENCY

Borrower's Experience

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

III. DEVELOPMENT TEAM

GENERAL CONTRACTOR

Office Street Address
City
Name of Principal
Office Phone Number
Contractor's License #

		State	Zip
		TID #	
		Cell #	
		Exp Dt	

PROJECT MANAGER

Office Street Address
City
Contact Person
Office Phone Number

		State	Zip
		Email	

ARCHITECT

Office Street Address
City
Name of Agent
Office Phone Number

		State	Zip
		Email	

ENGINEER

Office Street Address
City
Name of Agent
Office Phone Number

		State	Zip
		Email	

CONSULTANT

Office Street Address
City
Name of Agent
Office Phone Number

		State	Zip
		Email	

ATTORNEY

Office Street Address
City
Name of Agent
Office Phone Number

		State	Zip
		Email	

MANAGEMENT AGENT

Office Street Address
City
Name of Agent
Office Phone Number

		State	Zip
		Email	

ACCOUNTANT

Office Street Address
City
Name of Agent
Office Phone Number

		State	Zip
		Email	

IV. PROJECT NARRATIVE

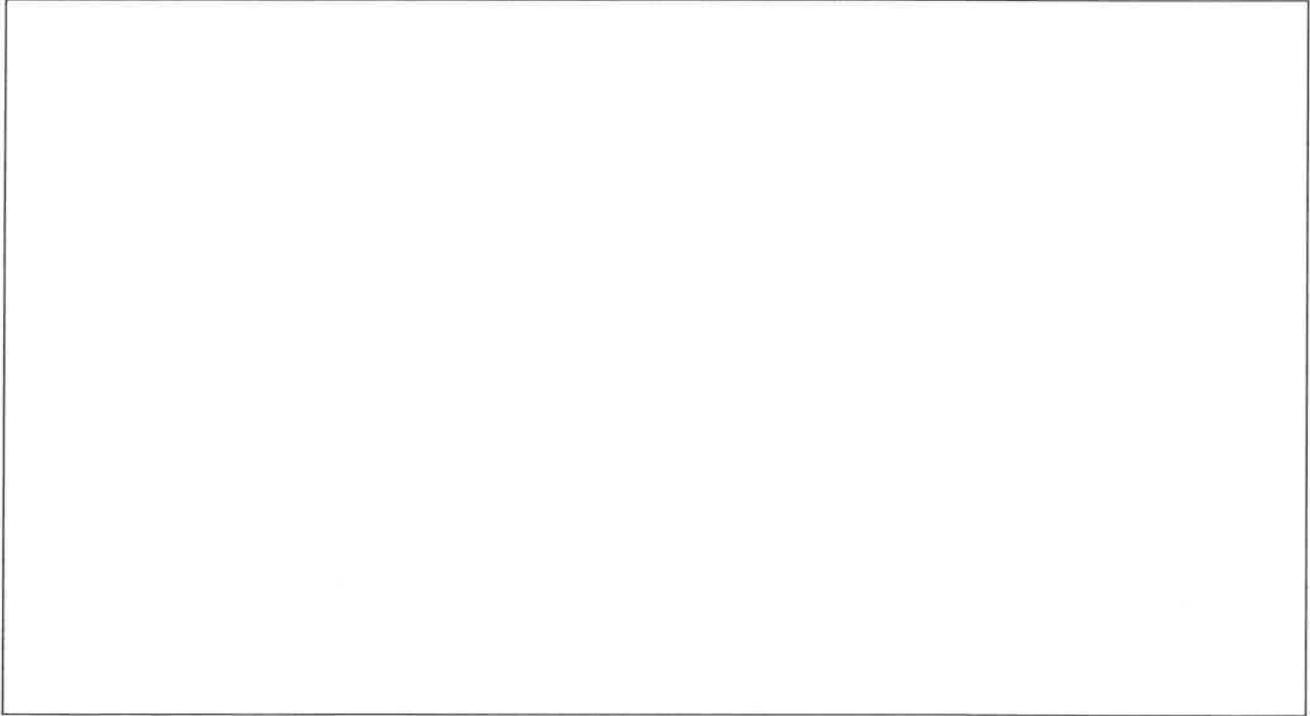
Borrower's requesting a loan may do so by submitting a loan proposal in narrative form. Please include as much detailed information as possible for MHC's Commercial Lending & Asset Management Staff to make the most accurate and favorable loan request possible to MHC's Loan Committee and Board of Directors.

1. Project Summary

Provide a summary of the proposed project: (1) describe needs this project will meet; (2) financing or grants from other sources utilized and expected time of other funding to be received; (3) the reason MHC funds are needed; and (4) other pertinent data. This section should also include if the project will involve any nonprofit and community organizations other than the Borrower(s), describe community interests represented by these organizations, the nature of their locality, and the existing or proposed contributions and services provided by these organizations, as well as a description of the organization's methods for soliciting local residents input regarding site development and management.

2. Property Description

Provide a brief description of the physical project. Attach a plat map for the subdivision development and a site plan for manufactured development. Also include a description of the proposed improvements to the property, current zoning and any zoning changes, or other regulatory approvals needed to implement the proposed development, appraised value (as is and with improvements), neighborhood characteristics, number of units/bedrooms/bathrooms, square footage per unit, and total square footage of the development.



3. Market Demand

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



4. Development Schedule *(provide a detailed timetable for requesting funds from MADHF)*

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

5. Draw Schedule *(show expected schedule for requesting funds from MAHDF)*

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

6. Project Feasibility

For Multifamily Rental Developments, attach a 1-Year Pro Forma *(Attachment D)*.

Required Documents Checklist & Certification

Required Documents Checklist

The following is a list of documents to be submitted at time of application. Check applicable loan type and submit corresponding documentation. **SECTION "A" APPLIES TO ALL LOAN TYPES.** Please note that additional information may be requested during the Underwriting review.

A. ALL Loan Types

- \$350.00 Non-Refundable Application Fee (certified check or money order payable to MHC)
- Organizational Documents (Articles of Incorporation, IRS 501(c)(3) Status Letter, Partnership Agreement, etc.)
- Resumes for key members of borrowing entity and members of development team
- References (professional, bank, and credit; Attachment E)
- Project Location Map
- Option/Sales Contract or evidence of site control
- Appraisal (if more than 12 months old, must be re-certified by appraiser)
- Personal Financial Statements and Tax Returns for the last 2 years – (Required for each principal; Attachment A)
- Business Financial Statements including the profit and loss (income statements) and balance sheets (last 2 years)
- List of all projects currently in progress
- Loan Proposal/Application
- Copy of Social Security card for Borrower(s) and Guarantor(s)
- Copy of drivers' license for Borrower(s) and Guarantor(s)
- Copy of Contractor's License

B. Predevelopment Loans *(if homes are to be constructed by borrower, include documentation from Section "C")*

- Phase I Environmental Assessment Report
- Market Study (needed if appraisal does not include an absorption rate)
- Engineer's Estimates
- Sources and Uses Statement (Attachment B)
- Cost Estimate Worksheet (Attachment C)
- Plat Map
- Plans and Specifications from Architect or engineer (must be submitted on 8 ½ x 11 paper)
- Survey

C. Acquisition/Rehabilitation Loans *(Multifamily Property)*

- Physical Needs Assessment (Rehabilitation Loans)
- Rehabilitation Plan; Specifications
- Development 1-Yr Pro Forma (showing anticipated income and expenses through end of fiscal year) (Attachment D)
- Income/Expense Statements for the property (last 2 years)
- Rent Roll for the past 18 months (N/A if new construction)

Certification of Borrower

I/We certify that the information provided in this loan request package is true and correct as of this date. I/We acknowledge my/our understanding that any intentional or negligent misrepresentation(s) of the information contained in this loan request package may result in civil liability and/or criminal penalties including but not limited to fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq. and liability for monetary damages to the Mississippi Home Corporation (MHC), its agents, successors and assigns, insurers and any other person who may suffer any loss due to reliance upon any misrepresentation which I/we have made in this loan request.

I/We further authorize MHC to obtain my/our credit report from a credit bureau in order to verify my/our creditworthiness as well as contact any references listed in this loan request

Borrower's Signature: _____ Date: _____

Borrower's Signature: _____ Date: _____

Attachment A

Financial Statement (Personal)

Name _____ Tax ID # _____

Address _____ City _____ State _____ Zip _____

FILL IN ALL BLANKS, WRITING "NO" OR "NONE" WHERE NECESSARY TO COMPLETE INFORMATION.

ASSETS		LIABILITIES		
Cash in Banks	\$	Notes Payable: To Banks	\$	
Certificates of Deposit	\$	To Relatives	\$	
Earnest Money Deposited	\$	To Others	\$	
Investments: Bonds & Stocks ----see schedule	\$	Installment Accounts Payable: Automobile – Mo. Payment \$	\$	
Investment in own Business	\$	Other – Mo. Payments \$	\$	
Accounts and Notes Receivable	\$	Other Accounts Payable	\$	
Real Estate owned – see schedule	\$	Mortgage payable on Real Estate (see schedule)	\$	
Automobiles: Yr: Make: Model:	\$	Unpaid Real Estate Taxes	\$	
Personal property & Furniture	\$	Unpaid Income Taxes	\$	
Life Insurance Face Value \$ _____ Cash Value	\$	Chattel Mortgage	\$	
Other assets (itemize)	\$	Loans on Life Insurance Policies (Include Premium Advances)	\$	
		Other debts – itemize	\$	
		TOTAL LIABILITIES	\$	
		NET WORTH	\$	
Total Assets	\$	TOTAL LIABILITIES & NET WORTH	\$	
SOURCE OF INCOME		CONTINGENT LIABILITIES		Yes/No
Base salary	\$	Are you a co-maker or endorser on a note?		
Overtime Wages	\$	Are you obligated to pay alimony?		
Bonus and Commissions	\$	Annual Amount: \$ _____		
Dividends and Interest Income	\$	Duration: _____		
Real Estate Income (Net)	\$	Are you a defendant in any legal action?		
Spouse's Income	\$	Are there any outstanding judgments against you?		
Other income – itemize	\$	Have you declared bankruptcy within the past 7 years?		
		Have you had property foreclosed upon in the past seven (7) years?		
TOTAL INCOME	\$			
EMPLOYMENT INFORMATION				
Name of Employer		Position / Title / Type of Business		
Address of Employer		Number of Years on this Job		
Business Telephone Number		Other Employment		
GENERAL INFORMATION				
Bank Accounts held at:				

Complete the following schedules in detail.

SCHEDULE OF BONDS AND STOCKS			
Amount Or No. Shares	Description (Extend Valuation in Proper Column) →	Marketable Actual Market Value	Non-Marketable (Unlisted Securities) Estimated Worth
TOTAL:		\$	\$

SCHEDULE OF REAL ESTATE			
Description and Location	Actual Market Value	Mortgages	
		Amount	Maturity Date
TOTAL:		\$	\$

SCHEDULE OF NOTES AND ACCOUNTS PAYABLE
 Includes Installment Debts, Revolving Charge Account, Bank Notes, etc.
 Specify Any Assets Pledged As Collateral, Indicating the Liabilities Which They Secure:

Creditor's Name	Date of Loan	Amount	Due	Interest	Monthly Payment	Collateral

OTHER INFORMATION

Please note that MHC does not automatically reject applicants who have been convicted of a crime, or anyone who has defaulted on a MHC loan.

Have you ever been involved in a loan either personally, as a project developer, as a sponsor, or as a management entity, previously with MHC? Yes ___ No ___ If yes provide project name _____

Have you ever been arrested, indicted, or convicted as an adult for any felony criminal violation? Yes ___ No ___

If yes, please complete information below:

Date of Offense _____

Nature of Offense _____

Disposition _____

CERTIFICATION

The foregoing statements and details pertaining thereto, both printed and written, have been carefully read and the undersigned hereby solemnly declares and certifies that same is a full, true, and correct exhibit of my financial condition.

Signature: _____ Date: _____

Signature: _____ Date: _____

Attachment C

Cost Estimate Worksheet

PROJECT NAME: _____

No. of Lots: _____

Lot Preparation

Lot	\$ _____
Plans & Specifications	\$ _____
Permits	\$ _____
Clearing / Hauling	\$ _____
Preparing Job Site	\$ _____
Excavation of Fill-Work	\$ _____
Water & Sewer Taps	\$ _____

Subtotal: \$ _____

Foundation

Preparing Foundation / Footings	\$ _____
Preparing Steel / Vapor Barriers	\$ _____
Concrete / Finishing Cost	\$ _____
Plumbing-Rough In <i>(Includes Septic)</i>	\$ _____
Electrical - Rough In	\$ _____
Termite Soil Treatment	\$ _____

Subtotal: \$ _____

Framing

Framing Materials	\$ _____
Framing Labor	\$ _____
Exterior Wood Trim	\$ _____
Exterior Wood Trim (Labor)	\$ _____
Roofing Material	\$ _____
Roofing Labor	\$ _____
Insulation	\$ _____
Exterior Millwork	\$ _____
Heat / Air Conditioning	\$ _____
Sheetrock Material	\$ _____
Sheetrock Labor	\$ _____
Exterior Priming & Painting	\$ _____
Exterior Work-Siding Materials	\$ _____
Exterior Work - Siding Labor	\$ _____
Fireplace / Chimney	\$ _____
Iron Work, Gutters	\$ _____

Subtotal: \$ _____

Trim & Finish

Interior Millwork	\$ _____
Paneling	\$ _____
Finish Hardware	\$ _____
Cabinets	\$ _____
Carpentry Labor (Interior)	\$ _____
Interior Painting & Wallpaper	\$ _____
Ceramic	\$ _____
Plumbing Top-out	\$ _____
Plumbing Fixtures	\$ _____
Electrical - Top-out	\$ _____
Electrical Fixtures	\$ _____
Appliances	\$ _____
Driveways, Walks, Patios, Decks	\$ _____
Flooring	\$ _____
Landscaping	\$ _____

Subtotal: \$ _____

Other Costs

Supervision/Developers Fee	\$ _____
Builder's Profit	\$ _____

Subtotal: \$ _____

TOTAL: \$ _____

Attachment D

Development 1-Year Pro Forma

PROJECT NAME: _____

Assumptions	
Vacancy Rate	7%
Replacement Reserves	3% of gross potential income
Operating Income	2% of gross potential income

Effective Income

Gross Annual Rental Income \$ _____
Less (-) 50% Vacancy \$ _____
Plus (+) Other Income \$ _____
Total Effective Income: \$ _____

Operating Expenses

Administration \$ _____
Utilities \$ _____
Maintenance (5%) \$ _____
Grounds and Landscaping \$ _____
Insurance \$ _____
Real Estate Tax \$ _____
Replacement Reserves (3%) \$ _____
Operating Reserves (2%) \$ _____
Pest Control \$ _____
Other Expenses \$ _____
Total Operating Expenses: \$ _____

Net Operating Income (NOI) \$ _____
(Effective Income less (-) Total Operating Expense)

Annual Debt Service Payments

1st Mortgage \$ _____
2nd Mortgage \$ _____
3rd Mortgage \$ _____

Total Annual Debt Service: \$ _____

Net Income (Cash Flow) \$ _____
(NOI less (-) Total Annual Debt Service Payments)

Debt Service Coverage Ratio (DSCR) _____ %
(NOI divided by (!) Total Annual Debt Service Payments)

***DSCR cannot fall below 1.05**

Attachment E

**Borrower's / Contractor's
Reference Sheet**

Contractor's Name: _____

Bldr License No.: _____

Address: _____

Lic Exp Dt: _____

Phone No.: _____

Please provide at least three references from each category:

	Institution Name	Contact Person	Phone No. & Email	Address
LENDERS				

	Company Name	Contact Person	Phone No. & Email	Address
SUPPLIERS				

	Individual's Name	Project Type	Phone No. & Email	Address
INDIVIDUALS (Contractor has completed personal projects)				

I, _____, hereby authorize Mississippi Home Corporation (MHC)
(Print Contractor's Name)
to verify the above mentioned references.

Borrower's / Contractor's Signature

Date

