Strength, Dignity, Quality of Life

MISSOURI HOUSING
DEVELOPMENT COMMISSION
FINANCING GUIDELINES

PRESENTATION OVERVIEW

• Financing Commitment Letter Requirement for Application
• MHDC Funds Available
• Changing Funding Sources
Every application must have a commitment letter unless only MHDC funds are requested and no participation loan structure is proposed.
For proposed participation loans, the bank’s commitment letter must stipulate the participation percentages desired for each of the construction and permanent loan amounts.

**Note:** Provided that the proposed participating lender meets MHDC’s minimum requirements, a participation loan can be done with any bank selected by the development team.
MHDC FUNDS AVAILABLE

The amount of MHDC fund balance available for lending under the FY2019 NOFA is $51,000,000.

Interest rates are dependent upon loan type and development characteristics.
GUARANTY REQUIREMENT

• All MHDC loans require a guaranty during the construction phase of the loan.

• At a minimum, guarantors include the general partner (together with all principals) and the developer (together with all principals). To the extent an investor requires additional guarantors, MHDC will match the investor’s requirements.

MHDC reserves the right to require additional guarantors based on deal specifics.
FY2019 Updates

- FY2019 resources are scarce; please be responsible in requesting MHDC funds.
- If you intend to seek out non-MHDC financing, make your best efforts to secure that financing before submitting your application.
- Staff may need to use HOME funds to fill gaps; be aware of HOME-specific requirements.
- Changing from MHDC sources to non-MHDC sources post-award will only be allowed if financially beneficial to the development.
Questions?

Please contact me at kjeterboldt@mhdc.com or (816)759-6835