

## CREDIT EFFICIENCY SCORING

The below information is based on Credit Efficiency scoring from applications received in response to the FY2025 Multifamily Rental Production applications. This information can be used as a reference for the preparation of FY2026 applications.

### Categories

Applications will be awarded points for **credit efficiency** based on the eligible LIHTC amount per LIHTC bedroom using the criteria below. Applications will be divided into four categories:

1. Family New Construction
2. Senior New Construction
3. Family Rehab
4. Senior Rehab

### Scoring

A “**safe harbor**” is determined for each category. The Average Eligible LIHTC amount per LIHTC bedroom will be determined based on the eligible LIHTC amount per LIHTC bedroom data in the submitted applications under this Plan. The Safe Harbor for each category is 10% above and 10% below the Average Eligible LIHTC amount per LIHTC bedroom for each respective category. MHDC will calculate Credit Efficiency using the following method:

$$\frac{(\text{Total 4\% or 9\% Adjusted Basis} + 4\% \text{ Acquisition Basis}) * \text{Applicable Fraction}}{\text{Total LIHTC bedroom count}} = \text{Average Efficiency}$$

$$\text{Average Efficiency} \pm 10\% = \text{Safe Harbor Range}$$

The Safe Harbor for 2025 Funding Round 1 is listed as follows:

Development Type	Average Efficiency	Safe Harbor Range
Family New Construction	\$144,598.49	\$130,138.64 – 159,058.34
Senior New Construction	\$178,446.63	\$160,601.97 - \$196,291.29
Family Rehab	\$130,335.38	\$117,301.85 - \$143,368.92
Senior Rehab	\$163,900.23	\$147,510.21 – \$180,290.25

Applications were scored as follows for 2025 Funding Round 1 applications.

Credit Efficiency	Points
Eligible LIHTC amount per LIHTC bedroom is <b>BELOW</b> the Safe Harbor	7
Eligible LIHTC amount per LIHTC bedroom is <b>WITHIN</b> the Safe Harbor	3
Eligible LIHTC amount per LIHTC bedroom is <b>ABOVE</b> the Safe Harbor	0