

# DHCD Multifamily Program Fees

All fees are subject to change at the discretion of the Department. Unless advised otherwise by official CDA Notices, all fees must be made payable to “Community Development Administration” or “CDA” and remitted directly to the attention of:

(For LIHTC Fees Only)

Tax Credit Program Administrator  
 Maryland Department of Housing  
 and Community Development  
 7800 Harkins Road  
 Lanham, MD 20706

(For All Other Fees)

DHCD Central Cashier  
 Post Office Box 2521  
 Landover Hills, MD 20784

For more information about Multifamily fees please contact: [DHCD.RentalHousing@Maryland.Gov](mailto:DHCD.RentalHousing@Maryland.Gov)

## General Fees

These fees apply to the Rental Housing Finance Program (RHFP, which includes the Rental Housing Program and Multifamily HOME), Rental Housing Works (RHW), Multifamily Bond Program (MBP) funds, and Low Income Housing Tax Credits (LIHTC) awarded under the [Multifamily Rental Financing Program Guide](#); except as noted.

Fee Name	Amount	Description	Due Date
Application Fee	\$2,500 per application	A single fee regardless of the number of resources (loans or LIHTC) requested	Submission of application
Subsidy Layering Fee	\$1,000 per review	Required for all projects with new project based contracts which trigger HUD Subsidy Layering requirements	Initial closing
DHCD Closing Attorney's Fees	\$25,000 for the first loan. \$5,000 for each additional loan	Documentation and closing services of DHCD's counsel	Initial closing; not applicable to HOME loans or LIHTC-only projects

## Low Income Housing Tax Credit (LIHTC) Fees

The following fees are required for projects receiving LIHTC.

**Competitive LIHTC (9%)**

Fee Name	Amount	Description	Due Date
Reservation Fee	\$5,000 per reservation	Required only for projects selected for competitive LIHTC awards	Receipt of Reservation Letter
10% Expenditure Test Deadline Extension Fee	\$1,000 for each month the deadline is extended up to the maximum of 12 months after the date of Carryover Allocation	Required for any extensions of the originally agreed-upon schedule	Submission of an Affidavit of Utilization of a Reservation
LIHTC Allocation Fee	5% of annual tax credit amount allocated	Required for allocations of LIHTC	Receipt of Allocation
IRS Form 8609 Amendment Fee	\$4,000 per project	Due for any changes that must be made to IRS Form(s) 8609 already issued by CDA; waived if amendment results from an administrative error by CDA	Submission of a request for an amended IRS Form 8609
LIHTC Compliance Monitoring Fee	\$40 per unit per year <b>*New – Increased from \$30*</b>	Required for all LIHTC projects during Compliance Period <u>and</u> Extended Use Period	Annually as invoiced
IRS Form 8823 Compliance Re-Review Fee	\$25 per unit per occurrence	Submission of a request for issuance of an 8823 by CDA to correct a previously uncorrected 8823	At time of request

**Non Competitive LIHTC (4%)**

Fee Name	Amount	Description	Due Date
LIHTC Allocation Fee	5% of estimated annual tax credit amount allocated	For tax-exempt bond financed projects that make use of 4% LIHTC	Issuance of §42(m) letter. Issuance of IRS Form(s) 8609 for any additional fee due for actual tax credit allocated over initial estimate
IRS Form 8609 Amendment Fee	\$4,000 per project	Due for any changes that must be made to IRS Form(s) 8609 already issued by CDA; waived if amendment results from an administrative error by CDA	Submission of a request for an amended IRS Form 8609

LIHTC Compliance Monitoring Fee	\$40 per unit per year <b>*New – Increased from \$30*</b>	Required for all LIHTC projects during Compliance Period <u>and</u> Extended Use Period	Annually as invoiced
IRS Form 8823 Compliance Re-Review Fee	\$25 per unit per occurrence	Submission of a request for issuance of an 8823 by CDA to correct a previously uncorrected 8823	At time of request

## DHCD Loan Fees

The following fees are due for all projects which include an RHFP or RHW loan; except as noted.

Fee Name	Amount	Description	Due Date
Rental Housing Program or Rental Housing Works Commitment Fee	1.5% of the loan amount	Origination and underwriting fee	Initial closing; may be financed. No commitment fee is due on HOME loans
Loan Servicing Fee <b>*New*</b>	A percentage added to the loan interest or a fixed fee; varies based on the loan amount. Consult an underwriter	Loan servicing and asset management activities of DHCD	With each debt service payment or annually; consult an underwriter
Tax Escrow Fee <b>*New*</b>	\$65 for loan amounts up to \$500,000 plus an additional \$10 per each \$100,000 or portion thereof over \$500,000	All multifamily loans where real estate taxes will be escrowed and paid by DHCD's loan subservicer	This is a one-time fee to be paid at initial closing

## Multifamily Bond Program

The following fees are due for loans funded by tax-exempt bonds.

Fee Name	Amount	Description	Due Date
Commitment Fee – Long Term or Short Term and Long Term Loans	1.5% of the first \$10 million of bond proceeds used to finance the loan(s) plus 1% of bond proceeds over \$10 million used to finance the loan(s)	Origination and underwriting fee	Initial closing; may be financed
Commitment Fee – Short Term Loan only	3% of the bond proceeds used to finance the loan	Origination and underwriting fee	Initial closing; may be financed
Non-Usage Deposit	2% of estimated loan principal as a deposit	Credited toward actual costs of issuance at	Within ten (10) days of CDA engaging bond

	against costs of issuance	initial closing	counsel and commencing closing calls. Generally sixty (60) to ninety (90) calendar days prior to scheduled initial closing
Costs of Issuance	Actual costs of issuance	Includes (without limitation) underwriter's discount or fees, printing expenses, trustee fees, bond counsel fees, financial advisor fees, accountant's fees, rating agency fees and other incidental fees of CDA related to the issuance of bonds	Initial closing
CDA Bond Issuer Administration Fee	0.25% of the outstanding principal amount of the loan	Ongoing debt and underlying asset administration, reporting, and compliance activities associated with the bonds	Each payment of debt service as part of the loan interest rate
CDA Bond Issuer Administration Fee – Short Term Loan only	0.25% of the outstanding principal amount of the loan	Ongoing debt and underlying asset administration, reporting, and compliance activities associated with the bonds	Paid in full for the entire loan term at initial closing
Trustee Fee	<p>\$4,000 plus the following percentage based on the original principal amount of the bonds which funded the loan:</p> <p>Under \$3,000,000 - consult an underwriter</p> <p>\$3,000,00 up to \$5,000,000 - 0.20%</p> <p>\$5,000,000 up to \$10,000,000 - 0.13%</p> <p>\$10,000,000 up to \$20,000,000 - 0.07%</p> <p>\$20,000,000 and above - 0.04%</p> <p>For bonds funding</p>	Ongoing debt service and bond asset management by bond trustee	\$4,000 due at initial closing; percentage due with each payment of debt service as part of the loan interest rate and based on the then outstanding principal amount of the loan

	more than one loan, the fee will be prorated among the loans		
Trustee Fee – Short Term Loan only	\$4,250 per year	Ongoing debt service and bond asset management by bond trustee	\$4,250 due at initial closing and on each anniversary thereof during the loan term
Rebate Analyst Fee	<p>Based on the original principal amount of the bonds which funded the loan:</p> <p>Under \$3,000,000 - consult an underwriter</p> <p>\$3,000,000 up to \$5,000,000 - 0.15%</p> <p>\$5,000,000 up to \$10,000,000 - 0.08%</p> <p>\$10,000,000 up to \$20,000,000 - 0.04%</p> <p>\$20,000,000 and above - 0.03%</p> <p>For bonds funding more than one loan, the fee will be prorated among the loans</p>	Services of arbitrage and rebate analyst for compliance with tax exempt bond rebate requirements	Each payment of debt service as part of the bond loan interest rate and based on the then outstanding principal amount of the loan
Rebate Analyst Fee – Short Term Loan only	Varies depending on requirements of rebate analyst retained by the borrower	Services of arbitrage and rebate analyst for compliance with tax exempt bond rebate requirements	Varies depending on requirements of rebate analyst retained by borrower. Fee to be paid directly to analyst and not to CDA
Loan Servicing Fee  <b>*New*</b>	0.125% of the outstanding principal amount of the bond loan added to loan interest rate. Only applicable for loans where CDA is the servicer of record and may vary for different types of servicing. Consult an underwriter	Ongoing loan servicing and asset management activities	Each payment of debt service

MBP CLC/PLC Extensions Fee	Actual costs incurred in connection with extensions of maturity and/or delivery dates of GNMA securities	As applicable; based on bond structure. These costs may include administrative charges, reasonable costs or expenses incurred by CDA, and reasonable reimbursement or fees of all professionals working on the transaction in connection with any requested extension. This includes costs, fees, reasonable hourly cost reimbursement, and expenses of bond counsel, other in-house or outside counsel, any credit enhancer, any rating agency, and any financial advisor to CDA	As invoiced
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### CDA/FHA Risk Sharing Fees

These fees are due for loans which are serviced and insured through the Risk Sharing Program. These fees are collected by CDA as the loan servicer and paid to MHF for MHF's Application, Administrative and Closing Fees. These fees are paid to MHF and FHA in accordance with the Risk Sharing Agreement with FHA for MIP.

Fee Name	Amount	Description	Due Date
MHF Application Fee	The greater of .10% of the insured loan amount or \$1,000	Application review and approval activities	Initial closing
MHF Administrative and Legal Fee	1% of the original principal amount of the loan	Underwriting, document review, closing and legal costs for MHF insurance	Initial closing
Construction Period Mortgage Insurance Premium (MIP)	0.25% of the loan amount for each 12 months, or portion of 12 months of the construction period	Mortgage insurance premium during construction period	Initial closing
First Year's Permanent MIP	0.25% of the estimated permanent loan amount	Mortgage insurance premium for the first year of the project's permanent loan period	Initial closing
Ongoing Permanent MIP	0.25% of the outstanding permanent loan balance	Mortgage insurance premium for each year of the project's permanent loan period	Included in each payment of debt service. Payments to MHF are made annually by CDA

## MHF Fee – Short Term Bond Loan Insurance

This fee is due for short term bond loans insured by MHF. The use of this insurance is limited to projects for which obtaining a letter of credit to insure the short term loan is cost-prohibitive. Additional restrictions are applicable to the use of this insurance – consult an underwriter for full details.

Fee Name	Amount	Description	Due Date
MHF Fee	2.25% of the original principal amount of the loan for each 12 month or portion of 12 month period of the loan. May be reduced subject to permitted yield limits. Consult an underwriter	Insurance of short term bond loans	Initial closing

## Additional Post Closing Functions

**\*New\*** The following fees are due for any changes to RHFP, RHW, and MBP loans and/or LIHTC. These functions may be provided by CDA or by the Division of Credit Assurance, or some combination of the two divisions. For any project which has more than one source of CDA or DHCD financing, including LIHTC, only one fee will be due. All fees due at submission of the request are non-refundable; fees due at closing are due only in the event closing occurs.

Fee Name	Amount	Description	Due Date
RHP or RHW Loan Payoff Review Fee	\$3,000	Review of existing documents, calculation of payoff amounts	\$1,500 due at submission of payoff request and \$1,500 due at closing. No fee is due on HOME loans
RHP or RHW Loan or LIHTC Modification Fee	\$10,000. This fee may be waived or added to the loan amount in the case of loss mitigation, loan workout, or restructuring at the discretion of the Department	Review of existing documents, preparation of new documents, and repayment schedules	\$5,000 due at submission of modification request and \$5,000 due at closing. No fee is due on HOME loans
Bond Loan Payoff Review Fee	\$10,000	Review of existing documents, calculation of payoff amounts, verification of sources and uses	\$5,000 due at submission of payoff request and \$5,000 due at closing
Bond Loan Modification Fee	\$20,000. This fee may be waived or added to the loan amount in the case of loss mitigation, loan workout, or	Review of existing documents, preparation of new documents, and repayment schedules	\$10,000 due at submission of modification request and \$10,000 due at closing

	restructuring at the discretion of the Department		
RHP or RHW Loan or LIHTC Assumption or Subordination Fee	\$5,000	Assumption or subordination of loans or LIHTC including deeds of trust, regulatory agreements, LIHTC covenants or other loan or LIHTC documents	Assumption/Subordination closing. No fee is due on HOME loans
Bond Loan Assumption Fee	1.5% of the outstanding principal balance of the loan	Bond loan assumption	Assumption closing
Restructuring Fee	\$5,000	This fee is for requests for approval of partnership or limited liability company restructuring including the replacement of a general partner/managing member, or limited partner/non-managing member	Upon receipt of request
Collateral Modification Review Fee	\$3,000	This fee is for easements, rights of way, and partial releases that require approval of the Board of Public Works	Upon receipt of request