



Community Development Administration

*Single Family Housing Development
Programs*

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Wes Moore,
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EMERGING DEVELOPER'S LOAN FUND UNDERWRITING SUBMISSION PACKAGE

EDLF Pre-development Financing

Revised May 2023



*The Maryland Department of Housing and
Community Development pledges to foster
the letter and spirit of the law for achieving
equal housing opportunity in Maryland.*

INSTRUCTIONS

The documentation listed below is to be submitted by the applicant to initiate the final underwriting review process. Because this is a pre-development loan, it is anticipated that some of the requested information will not yet be available. In your submission, whenever that is the case, please indicate that by noting the section or the item sought is, "NA."

If, upon completing its underwriting review, the Department finds the project is ready to proceed to a closing, a closing checklist will be issued and closing calls scheduled.

CHECKLIST

- Section A: Borrower Composition and Certifications
- Section B: Project Narrative
- Section C: Budgets
- Section D: Schedule
- Section E: Plans and Specifications
- Section F: Insurance

SECTION A: BORROWER COMPOSITION

ATTACHMENTS

Please provide the following as applicable:

- CDA Form 203 Developer's Qualifications and supporting information (form available through DHCD's website at [Multifamily Housing Development Document Library](#))
- Certifications - A copy of the Certifications must be executed by the authorized principal of the borrower (Below)
- Organizational Chart
- Articles of Incorporation
- Articles of Organization
- Bylaws
- Partnership or Operating Agreement
- Certificate of Good Standing (Can wait until closing process)
- Resumes
- Financial Statements: Certified, reviewed, or compiled financial statements for the borrowing entity's last fiscal year as well as internally prepared interim quarterly statements. If the borrowing entity has had no economic activity, provide these statements for the developer.

CERTIFICATIONS

The undersigned hereby makes application to the Department for a loan and/or tax credits pursuant to one or more of the Department's EDLFs and certifies the following:

LOAN REQUIREMENTS

The undersigned acknowledges the loan may be secured by the lien on the property herein described and evidenced by a promissory note. The undersigned certifies that housing produced with the proceeds of the loan will be provided to income eligible households within the income limits set by the Department for the specific period.

EQUAL OPPORTUNITY

The applicant agrees that it will not discriminate on the basis of race, color, religion, national origin, sex, marital status, sexual orientation, physical or mental disability, or age, except with regard to age as permitted under the federal Housing for Older Persons Act, as amended from time to time or other similar federal laws, in the leasing of or otherwise providing dwelling accommodations at the property or in any other aspect of the development, administration, operation, construction, repair or maintenance of the property or in any aspect of employment by the applicant.

The applicant agrees that it will comply with all applicable provisions of federal, State and local laws and the Department of Housing and Community Development policies regarding discrimination, equal opportunity in employment, housing and credit practices, and drug and alcohol free workplaces including, but not limited to: Title VI and VII of the Civil Rights Act of 1964, as amended; Title VIII of the Civil Rights Act of 1968, as amended; the Fair Housing Act Amendments of 1988, as amended; Title 20 of the State Government Article of the Annotated Code of Maryland, as amended; State of Maryland Executive Order 01.01.1989.18 relating to drug and alcohol free workplaces; the Secretary's Minority Business Enterprise Program, as amended; and the Americans with Disabilities Act of 1990, as amended.

OCCUPANT RELOCATION

The undersigned certifies that no occupant living in any residential unit in the property to be rehabilitated has been forced to move by the applicant without cause in the twelve month period preceding the submission of this application and that no occupants will be forced to move without cause prior to loan closing except to rehabilitate the project in compliance with an approved relocation plan. The undersigned further agrees to comply with the relocation requirements of the Department if any residential occupant is required to be temporarily or permanently displaced as a result of the rehabilitation undertaken pursuant to this loan application.

SOURCES OF FUNDS CERTIFICATIONS

The undersigned certifies that the applicant has examined and understands requirements associated with all public funds provided for the development, construction, and sale or rental of this housing. The undersigned is solely responsible for compliance with any applicable regulations. The undersigned is further solely responsible for all calculations and figures relating to the determination of the eligibility, use, and occupancy of the project and its individual buildings and understands and agrees that the amount of the resources calculated by reference to

the maximum figure submitted with this final underwriting submission as to the eligible uses and amounts.

The undersigned further represents and certifies that the project can be completed within the time schedule set forth herein and that the information contained in this application is true, correct, and complete to the best of the undersigned's knowledge and belief and agrees to notify the Department promptly in writing of any changes in this information, including any changes in the sources and uses of funding for the project. The undersigned agrees to immediately notify the Department of a cancellation of the project, or if the project will not be completed within the proposed time schedule.

The undersigned understands and agrees that the Department, by accepting this underwriting submission, has no obligation to reserve or allocate any or all of the funds or resources requested and that the Department shall not be liable for any action regarding the project in reliance on this application or any resource reservation or allocation by the Department. It is further understood and agreed that the Department has the right to revoke any resource reservation or allocation after it had been made if, in the sole judgment of the Department, the project does not qualify for those resources or the project is not likely to be placed in service by the scheduled date. The undersigned agrees to, at all times, indemnify and hold harmless the Department against all losses, costs, damages, expenses, and liabilities of any nature of kind (including, but not limited to attorney's fees, litigation and court costs, amounts paid in settlement, amounts paid to discharge judgments, and any loss from judgments) arising out of, or related to acceptance, consideration, approval or disapproval of this application.

ACCESS TO PUBLIC ACT NOTICE AND WAIVER

Designated Developers should give specific attention to the identification of information furnished to the Department under this application which they deem confidential, commercial, or financial information, proprietary information, or trade secrets and provide any justification of why this information should not be disclosed under the Maryland Public Information Act, State General Provisions Article, Title 4 of the Annotated Code of Maryland. Designated Developers are advised that, upon request from a third party, the Department is required to make an independent determination as to whether the information may or must be divulged to that third party.

The information in this application will be disclosed to appropriate staff of the Department or the public officials for purposes directly connected with the administration of the programs for which its use is intended. Such information may be shared with State, Federal, or local government agencies that have a financial role on the project.

The Department intends to make available to the public certain information regarding projects submitting applications regardless of whether or not the project is recommended for reservation of funds by the Department. Some of this information may not be disclosed under Maryland's Access to Public Records Act. By signing and delivering this application to the Department, you hereby **AGREE TO WAIVE ANY RIGHTS TO OBJECT TO OR PREVENT THE DISCLOSURE TO THE PUBLIC OF THE FOLLOWING INFORMATION:** applicant's and sponsor names; name and address of the project; loan and /or tax credit amounts and terms (requested and/or approved); amounts and sources of other financing; total project cost; waivers (requested and/or received); explanation of amount and reason for any resources received (if any); total number of units; population served (elderly or family); and number of units reserved for persons with disabilities or special needs.

GENERAL

The undersigned hereby certifies that the development proposed in this application can be developed in accordance with the development budget set forth herein and operated in accordance with the operating budget set forth herein and further certifies that the information set forth herein and in any attachments in support hereof is true, correct, and complete to the best of his/ her knowledge and belief. The undersigned authorizes the Department to obtain credit information for the purpose of evaluating this application.

IN WITNESS WHEREOF, the applicant has caused this document to be duly executed in its name of this __ day of _____, 20__.

(Full legal name of sponsor)

Signature: _____

Name: _____

Title: _____

SECTION B: PROJECT NARRATIVE AND CERTIFICATIONS

If any changes have been made to the overall structure of the project since application submission, please note those in the attached narrative. While significant changes may affect the status of the award, it is expected that in most cases such changes will reflect the usual progression of a project toward closing. Highlight:

1. The name of the project or the name of the ownership entity;
2. Any changes in development team members or their roles in the project;
3. Any changes in the financial condition of development team members which may affect its ability to proceed with the project;
4. Changes in the location, constructability or understanding of environmental contamination; scope of work, occupancy, or construction type.

ATTACHMENTS

Please complete and provide the following:

- EDLF Narrative

SECTION C: BUDGETS

Please provide the following:

ATTACHMENTS

- EDLF Budget Form (Includes Draw Forms)
- Roster of Construction Phase or Other Repayment Sources (Form below)

Please list and briefly describe any sources and the estimated amounts of capital the applicant is recruiting into the project. Include your current understanding of each sources' application and decision-making process and schedule.

Source	Amount	Debt/ Equity/ Grant	Term	Interest Rate	Events/ Conditions for Funding

SECTION D: SCHEDULE

Please provide the following:

ATTACHMENT

- EDLF Schedule Form

SECTION E: PLANS AND SPECIFICATIONS

If as and as available, please provide:

ATTACHMENTS

- Any conceptual plan elements, renderings, elevations, or site photographs.

SECTION F: INSURANCE

The Department requires documentation that projects has an acceptable Owner's Liability Insurance. The Department accepts three (3) forms of evidence of insurance:

1. Certificate of Insurance -- a one or two page summary document outlining and summarizing the insurance policy.
2. Insurance Binder -- an overview of the insurance policy. Binders are typically issued and valid for a 30 day period, and must therefore be reissued every 30 days until delivery of an Insurance Policy.
3. Insurance Policy -- the document which contains all conditions of insurance coverage.

The types and limits of insurance coverage normally required by CDA include:

Owner Insurance parameters:

- Comprehensive General Liability Coverage for single limit public liability coverage of not less than \$1,000,000.
- Comprehensive Automobile Liability written on vehicles owned or provided by the Borrower and used in connection with the Project in an amount for combined single limit public liability coverage of not less than \$1,000,000.
- Workmen's Compensation covering, to the fullest extent required by applicable law, all Project employees employed by the Borrower.

If as and as appropriate, please provide:

ATTACHMENTS

- Evidence of Comprehensive General Liability Coverage
- Evidence of Comprehensive Automobile Liability Coverage
- Evidence of Workmen's Compensation Coverage