

DHCD Multifamily Program Fees

The following charts set forth fees and deposits required by the Department in connection with: loan applications; loan closing and servicing; bond loan credit enhancement and insurance; low income housing tax credits; and post-closing monitoring and asset management for loans and low income housing tax credits. The fees and deposits vary by the type of financing as provided under each chart heading. Note: the Department administers other programs not covered by this schedule, such as the Partnership Rental Housing Program, the Shelter and Transitional Housing Facilities Grant Program, and various energy loan and grant programs, which may be used independently or in conjunction with the programs covered by this schedule. Those other programs may require additional fees. Consult the project underwriter to determine if other fees are applicable.

Unless otherwise noted, the fees set forth herein are effective as of the date of the 2018 Multifamily Rental Financing Program Guide for all projects, regardless of the status of the financing application or loan commitment. All fees are subject to change at the discretion of the Department, and any such changes will be posted on the Department’s website, along with the effective date of the change. The Department reserves the right to charge additional fees or require additional deposits in connection with new financing initiatives or new financing structures. Any such additional fees or deposits will be posted on the Department website.

Unless advised otherwise by official CDA Notices, all fees must be made payable to “Community Development Administration” or “CDA” and remitted, on the due dates set forth in the charts below, to:

(For LIHTC Fees)

Remit per invoice provided by CDA
 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

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”) and 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	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 for which CDA conducts the Subsidy Layering review but is not the contract administrator	As invoiced by CDA prior to or at 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 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 ¹	\$35 per unit per year	Required for all LIHTC projects during Compliance Period	Annually as invoiced

¹ LIHTC Compliance Monitoring Fees are collected in arrears. Accordingly, the increased fee amount of \$35.00 will first be collected in January 2019 and will be applicable to all existing and future LIHTC projects.

	New – Increased from \$30	and Extended Use Period	
IRS Form 8823 Compliance Re-Review Fee	\$25 per unit per occurrence	Upon 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	At time of request
LIHTC Compliance Monitoring Fee ²	\$35 per unit per year *New – Increased from \$30*	Required for all LIHTC projects during Compliance Period and Extended Use Period	Annually as invoiced
IRS Form 8823 Compliance Re-Review Fee	\$25 per unit per occurrence	Upon 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

² LIHTC Compliance Monitoring Fees are collected in arrears. Accordingly, the increased fee amount of \$35.00 will first be collected in January 2019 and will be applicable to all existing and future LIHTC projects.

Loan Servicing Fee *New*	One-time fee of \$7,500 per loan	Loan servicing and asset management activities of DHCD for the term of the loan	Initial closing
Tax Escrow Fee *New*	\$65 for loan amounts up to \$500,000 plus an additional \$10 per each \$100,000 or portion thereof over \$500,000 (based only on the senior DHCD loan)	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. Additional guidance on pairing taxable GNMA loans with tax-exempt bonds (referred to below as Short Term Taxable/Tax-Exempt Loans) can be found [here](#).

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 the original principal amount of the loan(s) plus 1% of any original principal amount of the loan(s) over \$10 million	Origination and underwriting fee	Initial closing; may be financed
Commitment Fee – Short Term Taxable/Tax-Exempt Loans only	3% of the original principal amount of the loan	Origination and underwriting fee	Initial closing; may be financed
Non-Usage Deposit	2% of estimated loan amount as a deposit against costs of issuance	Credited toward actual costs of issuance at initial closing	Within ten (10) days of CDA engaging bond 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	Initial closing

		CDA related to the issuance of bonds	
CDA Bond Issuer Administrative Fee-- Long Term or Short Term and Long Term Loans	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 Administrative Fee – Short Term Taxable/Tax-Exempt Loans 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
Loan Servicing Fee – Long Term or Short Term and Long Term Loans *New*	0.125% of the outstanding principal amount of the long and short term loan; only applicable for loans where CDA is the servicer of record and may vary for different types of servicing; consult underwriter	Ongoing loan servicing and asset management activities	Each payment of debt service as part of the long term and short term loan interest rate
Trustee Fee – Long Term Loans only	<p>\$4,000 plus the following percentage based on the original principal amount of the loan:</p> <p>Under \$3,000,000 - consult 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>Fees will be adjusted for multiple loans funded from the same</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 long term loan

	bond issue; consult underwriter		
Trustee Fee – Short Term Taxable/Tax-Exempt Loans 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 – Long Term Loans only	Based on the original principal amount of the loan: Under \$3,000,000 - consult underwriter \$3,000,000 up to \$5,000,000 - 0.15% \$5,000,000 up to \$10,000,000 - 0.08% \$10,000,000 up to \$20,000,000 - 0.04% \$20,000,000 and above - 0.03% Fees will be adjusted for multiple loans funded from the same bond issue; consult underwriter	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 long term loan
Rebate Analyst Fee – Short Term Taxable/Tax-Exempt Loans only	Varies; depends on requirements of rebate analyst retained by borrower	Services of arbitrage and rebate analyst for compliance with tax exempt bond rebate requirements	Varies; depends on requirements of rebate analyst retained by borrower; paid directly to analyst and not to CDA
Debt Service Reserve Deposits– Long Term Loans only *New*	A percentage, to be determined at the time of pricing of the bonds, of the outstanding principal balance of the long term loan amount	Interest due on the bonds that will fund the debt service reserve fund required under the bond indenture	Each payment of debt service as part of the long term bond loan interest rate and based on the then outstanding principal amount of the long term loan
MBP CLC/PLC Extensions Fee	Actual costs incurred in connection with extensions of maturity and/or delivery dates of	As applicable; based on bond structure. These costs may include administrative	As invoiced

	GNMA securities	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, including 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	
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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 and to MHF and FHA in accordance with the Risk Sharing Agreement with FHA for MIP, all as detailed below.

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 *New – previously .375% during the construction loan period and .0625% during the permanent loan period*	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	Initial closing

		permanent loan period	
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 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 Functions³

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 due on HOME loans
RHP or RHW Loan or LIHTC Modification Fee	\$10,000, may be waived or added to the loan amount in the case of loss mitigation, loan workout, or restructuring at the discretion of the	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 due on HOME loans

³ These fees are applicable only to requests received after the effective date of this schedule and not to requests already in progress as of that date.

	Department		
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; 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	\$10,000 due at submission of modification request and \$10,000 due at closing
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 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