

Montana Board of Housing - Board Meeting

Meeting Location: Best Western Havre Inn & Suites or via Zoom

- 6:00 am – 8:30 am Continental Breakfast available in Best Western Inn and Suites lobby

Date: October 21, 2025

Time: 8:30 am

Location: Best Western Havre Inn & Suites
1425 Highway 2 St NW
Havre, MT 59501
406-265-2888

Attendance: In-person attendance is strongly preferred.

Board Chair: Bruce Posey (Vice Chair Shelia Rice to chair LIHTC 9% award decisions)

Remote Attendance: Join our meeting in-person or remotely via Zoom and/or phone

Conference Call: Dial: 1-646-558-8656, Meeting ID: 819 3546 5044, Password: 827364

Meeting Link: <https://mt.gov.zoom.us/meeting/register/tZUkdOysgD4qHtCIJvQ4oFrt54yXL5dudYfv#/registration>

Board Offices: Montana Department of Commerce
Montana Board of Housing
301 S. Park Ave., Room 240, Helena, MT 59601
406-841-2840



Agenda Items:

- Meeting Announcements
- Introductions
- Public Comments – Public comment is welcome on any public matter that is not on the agenda and that is within the jurisdiction of the Board.
- Approve prior meeting's minutes
- Multifamily Program (Jason Hanson)
 - LIHTC 9% Award Decisions
 - Multifamily Update
- Accounting & Finance Program (Vicki Bauer)
 - Accounting & Finance Update
- Homeownership Program (Jessica Michel)
 - Participating Lender Approval Request: Premier Mortgage Resources, LLC
 - Homeownership Update
- Mortgage Servicing (Cheryl Cohen)
 - Servicing Update
- Operations/Executive Director (Joe DeFilippis & Cheryl Cohen)
 - Operations / Executive Director Update
 - Rental Assistance Dashboard
- Miscellaneous
- Meeting Adjourns

All agenda items are subject to Board action after public comment requirements are fulfilled.

Commerce/MBOH makes every effort to hold meetings at fully accessible facilities. Any person needing reasonable accommodation must notify the MBOH at 406-841-2840 or visit Montana Relay 711: dphhs.mt.gov/detd/mtap/traditionalrelayservice before the scheduled meeting to allow for arrangements.

2025 Board Calendar

- Monday, November 10 via Zoom
- Monday, December 8 via Zoom (subject to cancellation)

BOARD MEMBER ATTENDANCE POLICY

Board Members are expected to attend all scheduled Board meetings and training sessions, including attendance in person where a meeting is so designated. It is recognized that Members may be unable to attend some meetings due to conflicts with prior-scheduled commitments or unforeseen circumstances. Members are expected to notify the Board Chair as far in advance as possible if they will be unable to attend. Members may not have more than two (2) absences from meetings or training sessions within any calendar year, only one (1) of which may be unexcused. Members will be considered absent unless they attend the entire meeting or training session. Please refer to the Montana Board of Housing [Board Attendance Policy](#) adopted May 13, 2024 for details.



MONTANA BOARD OF HOUSING

Meeting Location: Best Western Havre Inn & Suites or via Zoom

Date: October 21, 2025

Time: 8:30 am

Roll Call of Board Members:

Bruce Posey, Chair (Present)	Sheila Rice (Present via Zoom)
Amber Parish (Present)	Jeanette McKee (Present)
Rachel Arthur (Present via Zoom)	Richard Miltenberger (Present)
Ryan Aikin (Present)	

Staff:

Cheryl Cohen, Executive Director	Julie Flynn, Community Housing Manager
Logan Colberg, Executive Assistant	Jason Hanson, Multifamily Manager
Vicki Bauer, Finance Manager	Jessica Michel, Homeownership Manager
Joe DeFilippis, Operations Manager	Megan Surginer, Office Manager
Julie Hope, Training and Development	Jesse Ennis, Multifamily Program
Danyel Bauer, Mortgage Servicing	Brian Barnes, Multifamily Program
Kellie Guariglia, Multifamily Program	Charles Brown, Homeownership Program
Bruce Brensdal, Multifamily Program	Julles Engel, Community Housing
Nicole Newman, Community Housing	Jen Stepleton, Community Housing

These written minutes, together with the audio recordings of this meeting and the Board Packet, constitute the official minutes of the referenced meeting of the Montana Board of Housing (MBOH). References in these written minutes to tapes (e.g., FILE 1 – 4:34) refer to the location in the audio recordings of the meeting where the discussion occurred, and the page numbers refer to the page in the Board Packet. The audio recordings and Board Packet of the MBOH meeting of this date are hereby incorporated by reference and made a part of these minutes. The referenced audio recordings and Board Packet are available on the MBOH webpage at [Past Meetings and Minutes](#).



MONTANA BOARD OF HOUSING

Counsel:

Nathan Bilyeu

Others:

Ian Kerr	Parker Webb	Mina Choo	Grant Schnell
Logan Anderson	Don Sterhan	Tyler Currence	Karen Schellin
Nallie Nicholson	Tom Manuschreck	Tiffany Hapney	Shane Walh
Larry Phillips	Katherine Daly	Tyson O'Connell	Seth O'Connell
Mike Bouchee	Sam Oliver	Heather McMilin	Alex Burkhalter
Bill Everett	Rene Cewwer	Lisa Bowell	Corey Hill
Karissa Trujillo	Eric Peterson	Cassidy Kipp	Angie Ferguson
Andrew Chanania	Anita Saas	Ryan Johnerson	Matt Belles
Karl Burgher	Austin Trunkle	Carl Hamming	Andrea Davis
Evelyn Camp	Jason Boal	Luana Slettedahl	Liz Stotts
Crosby Branch	Brady Ellis	Susan Tebolt	Troy Hart
Roegilene Escleva	Tracy Menuetz	Emily Strawser	Joseph Walsh
Caleb Posey	Angela Getchell	Lindsey Hale	Michael O'Neil
Garrett Schultz	Andrew Sirmon	Erin Anderson	Ryan Hapney
Jennifer Wheeler	Evan Jacobsen	Aaron Gabriel	Nicole Pfeifer
George Anderson	Julie Stiteler	Nick Pancheau	Christiane Rudmann
Caleb Wilson	Cassidy Kipp	Cameron Moilen	Ryan Johnerson



Call Meeting to Order:

- 00:00:00 Board Chair Bruce Posey called the Montana Board of Housing (MBOH) meeting to order at 8:31 a.m.
- 00:02:54 Introductions of Board members, Board staff, and attendees were made.
- 00:09:39 Board Chair Posey asked Public Comment for anything under the Board's jurisdiction but not included on today's agenda.
- Public Comment: Heather McMilin

Approval of Minutes:

September 8 MBOH Board Meeting Minutes – See September Minutes in Septembers Board Packet

- 00:12:17 Motion: Jeannette McKee
Second: Ryan Aikin
The September 8, 2025 MBOH Board meeting minutes were approved unanimously.
- 00:13:10 Chair Bruce Posey, due to previously declared conflict of interest at the May Letter of Intent meeting, stepped out of the meeting. Vice Chair Shelia Rice chaired the LIHTC 9% award determination portion of the agenda.

Multifamily Program:

2026 Housing Credit Full Applications

- 00:13:35 Presenter: Jason Hanson
Jason provided an overview of the LIHTC 9% selection criteria and process for the Board.

Golden Lion Manor, Troy – See Golden Lion Manor materials in Board Packet

- 00:23:55 Presenter: Jason Hanson
Developer Update: Susan Tebolt

Towers 9%, Billings – See Towers materials in Board Packet

- 00:27:35 Presenter: Jason Hanson
Developer Update: Heather McMilin

Granite Peak, Butte – See Granite Peak materials in Board Packet

- 00:33:13 Presenter: Jason Hanson



Developer Update: Tom Manuschreck

Outpost, Kalispell – See Outpost materials in Board Packet

00:36:09 Presenter: Jason Hanson

Developer Update: Cassidy Kipp

Saddlehorn Apartments, Miles City – See Saddlehorn Apartments materials in Board Packet

00:38:40 Presenter: Jason Hanson

Developer Update: Don Sterhan

Pintler Pines, Anaconda– See Pintler Pine materials in Board Packet

00:41:50 Presenter: Jason Hanson

Developer Update: Tiffany Hapney

Public Comment: Karen Schellin

00:58:13 Additional Public Comment (in opposition of project): Cameron Moilen,
Ryan Johnerson, Bill Everett, Lisa Bowell

Additional Public Comment (in support of project): Bill Everett

Wildflower 9 Apartments, Missoula– See Wildflower 9 materials in Board Packet

00:47:22 Presenter: Jason Hanson

Developer Update: Tyson O’Connell

Public Comment: Andrea Davis

Sheep Mountain Residences, Livingston– See Sheep Mountain materials in Board Packet

00:54:15 Presenter: Jason Hanson

Developer Update: Katherine Daly

Public Comment: Joseph Walsh

2025 Housing Credit Full Applications – Board Selection of Applications for Award

01:13:00 Board Discussion – Jason Hanson facilitated a Board member
category/comparison discussion of the proposed projects, i.e., income
targeting, efficient use of credit/costs, and community contributions.

01:19:27 Board Decisions – See tally of votes in packet Board members voted for
their top five projects, giving their top three projects a score of three points



each and their next top two projects a score of two points each. When totaled, the top five projects were Saddlehorn Apartments and Wildflower Apartments with scores of 16; Sheep Mountain and Tower 9% with scores of 10. The Board conducted a second round of voting for the four remaining projects. Outpost at Kalispell received 13, Golden Lion Manor received 11, Granite Peak received 4 and Pintler Pines received 2.

02:00:10 Move to award 2026 Housing Credits to the following slate of Projects, subject to the conditions specified below. For purposes of the specified conditions, the Projects are awarded Housing Credits in the following order :

The two projects ranked first at 16 points are as follows:

1. Saddlehorn in the amount of \$8,500,000 originally requested. the project received 16 total points.
1. Wildflower 9% in the amount of \$8,500,000 originally requested, *contingent upon* the applicant also completing the associated 4% application submitted.

The two projects ranked second at 10 points are as follows:

2. Towers 9% in the amount of \$7,500,000 originally requested, *contingent upon* the applicant also completing the associated 4% application submitted.
- 2 Sheep Mountain 9% in the amount of \$6,700,000 originally requested, *contingent upon* the applicant also completing the associated 4% application submitted.

Motion Award Conditions:

1. *Reduction in Available Credits*: In the event that the amount of 2026 Housing Credits available to MBOH is reduced by the IRS after this award determination, the amount of Credits awarded to the lowest-numbered Project(s) (*i.e.*, in reverse order of numbering) shall be reduced as necessary to reflect the reduction in available 2026 Credits. For example, if, after this award determination, the IRS



reduces the amount of 2026 Housing Credits available for award by MBOH by \$500,000, and the last numbered Project (e.g. Project No. 5), was awarded \$600,000, the award to such Project is reduced to \$100,000. If the last numbered Project (e.g. Project No. 5) was awarded \$300,000, and the second to last numbered Project (e.g. Project No. 4) was awarded \$600,000, the last priority Project (Project No. 5) award is reduced to \$0 and the second to last priority Project (Project No. 5) award is reduced to \$400,000.

2. *Non Profit award Conditions:* Non-profit Projects awarded credits will be subject to the non-profit set-aside under Code Section 42(h)(5) and MBOH shall so designate such allocation on the Project's IRS Form 8609 in accordance with the applicable QAP. The award to the non-profit Project listed first above receiving at least 10% of Montana's Credit ceiling will be designated by MBOH as the award meeting the non-profit set-aside under Code Section 42(h)(5). Two or more of the above-listed Projects may be so designated as necessary to meet the 10% non-profit set-aside under Code Section 42(h)(5) and MBOH shall so designate such allocation on the each such Project's IRS Form 8609.

Saddlehorn Apartments received the Non-profit designation as the highest scored non-profit project.

Motion: Jeanette McKee

Second: Amber Parish

The motion to award 2026 Housing Credits to the above listed slate of projects, subject to the conditions specified passed unanimously. The original amount of remaining credits was approximately \$4,100,000.

- 02:04:48 Move to approve the following slate ranking the remaining applicant Projects in the following order of priority for purposes of an Award of the remaining available Credits in the amount of \$4,100,000 and, subject to Section III.K of the applicable QAP, any additional credits that become available up to the amount of the original full request, according to the following procedure:



The first priority Project for such an Award will be allowed 30 days from Board notification to the applicant of the final IRS determination of credits to re-submit its Application resized to the above-specified amount or the amount noticed to the Applicant of Credits remaining available. After staff underwriting and evaluation of the resized Application, if MBOH staff determines based upon the resized Application that the development is financially feasible and viable as a qualified low income housing Project throughout the Compliance Period, MBOH staff will enter into a Reservation Agreement for the Project for the above-specified amount of Credits.

If the first priority Project fails to submit a resized Application within 30 days or MBOH staff determines, in their discretion, that the Project is not financially feasible or viable as proposed in the resized Application, the next priority Project will be invited to submit a resized Application, and so on, until remaining Credits are reserved for one of the prioritized Projects.

- Any award under this resolution shall be subject to the continuing availability of such credits to MBOH from the IRS.

1. Outpost at Kalispell
2. Golden Lion Manor
3. Granite Peak
4. Pintler Pines

02:11:00 Motion: Ryan Aikin

Second: Jeanette McKee

The motion to award to the above ranked list of projects remaining for purposes of an award of the remaining available credits in the amount of \$4,100,000 and any additional credits that become available up to the amount of the original full request, according to the required procedure passed unanimously.

02:16:00 Chair Posey returned to the meeting and chaired the duration of the meeting



Multifamily Update

02:16:04 Presenter: Jason Hanson

Accounting:

Accounting Update

02:17:13 Presenter: Vicki Bauer

Chair Bruce Posey asked a question concerning the process of issuing and selling bonds.

Homeownership Program:

Approval of Premier Mortgage Resources, LLC as a Participating Lender

02:26:04 Presenter: Jessica Michel

Motion: Richard Miltenberger

Second: Sheila Rice

The motion to approve Premier Mortgage Resources, LLC as a Participating Lender for Montana Board of Housing passed unanimously.

Homeownership Update

02:27:15 Presenter: Jessica Michel

Board members expressed interest in receiving additional data on foreclosures, including details by loan type. Bruce Posey recommended that the Portfolio Summaries include information on the size of in-house MBOH portfolio, our few remaining outside servicers, and loan portfolio at Idaho Housing & Finance Association to help Board members better understand portfolio changes. Following discussion, the Board agreed that the Homeownership team will include an additional chart under the Portfolio Summary section, identical in format, displaying loans broken out by servicer.

Mortgage Servicing Program:

Servicing Update



MONTANA BOARD OF HOUSING

02:33:38 Presenter: Cheryl Cohen

02:36:58 The Board discussed the recent decrease in the FHA Tier Score within SFDMS reporting. It was noted that the score is impacted by system interfaces and the completion of reports. The team has implemented corrective actions to address the issue and provided an update to the Board on the steps taken to improve the score. Bruce Posey commented that the lower FHA Tier Score may prompt a FHA audit and advised the team work quickly to implement corrective actions.

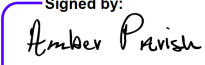
Operations/ Executive Director:

Operations/Executive Director Update

02:41:51 Presenter: Joe DeFilippis and Cheryl Cohen

Meeting Adjournment:

02:53:22 Meeting was adjourned at 11:53 a.m.

Signed by:

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11/10/2025

Amber Parish, Secretary

Date

Board Agenda Item

Board Meeting: October 21, 2025

Multifamily Program -Housing Credits

2026 Housing Credit Full Applications - Board Selection of Applications for Award

Background

The deadline for submittal of the 2026 Housing Credit full applications was August 4, 2025.

There are eight (8) applications for consideration. Applications are limited to \$8,500,000 of the available \$38,868,750 credits.

The Board must designate at least 10% (\$3,868,750) of credit ceiling to applications that applied in the nonprofit pool. There are seven (7) applications in the nonprofit pool this round.

If an application were to be partially funded (resize and submit application within 30 days), staff would recommend it not be one of the small rural applications or the acquisition/rehabilitation applications. Those applications are very hard to resize to a lesser amount of credits. Given the complexities in establishing a viable capital stack – including the number of other funders and investors involved in the project - Board staff does not advise the Board to partially fund any projects. Any remaining credits can be rolled into next year's cycle.

Montana Department of Commerce | commerce.mt.gov | Montana Board of Housing
P.O. Box 200528 | Helena, MT 59620-0528 | Phone: 406-841-2840 | Fax: 406-841-2841
Montana Relay 711: dphhs.mt.gov/detd/mtap/traditionalrelayservice



Projects are grouped together and include:

1. Board Agenda Memo
2. Staff Spreadsheet & Notes
3. Spreadsheets showing project comparative information
4. Board member worksheet for notetaking
5. Developer past project award and completion
6. Demographic and population graph, number of Units in the last 10 years, and 4% and 9% Projects by county.
7. Project Packet
 - a. Summary cover page
 - b. Photos
 - c. Narrative
 - d. Mini Market Study Summary
 - e. Public Support Letters

Non-profit

Ten percent of each state's credit ceiling must be set aside for buildings which are part of one or more Projects involving Qualified Nonprofit Organizations.

The 10% nonprofit set aside may be met by an Award to an application involving a Qualified Nonprofit Organization out of any other set aside or the general pool.

If no Applications awarded Housing Credits involve a Qualified Nonprofit Organization, the nonprofit set aside (i.e., 10% of the state's credit ceiling) will be held back for later award to an Application involving a Qualified Nonprofit Organization.

Small Rural Applications

For purposes of this status, a Small Rural Application: (1) submitted tax credit Application requesting tax credits in an amount up to but no more than 12.5% of the state's Available Annual Credit Allocation, and (2) proposed to be developed and constructed in a location that is not within the city limits of Billings, Bozeman, Butte, Great Falls, Helena, Kalispell, or Missoula.

Board Consideration and Determination Process

At the Board's May 13, 2025 meeting, the Board considered Letters of Intent and selected eight (8) Projects to submit full Applications for Housing Credit awards.

At the award determination meeting, Board staff will provide Project Application information to Board Members. Applicants should be available to the MBOH Board to answer questions regarding their respective Applications. The MBOH Board may ask questions of Applicants and discuss proposed Projects but there will be no Applicant presentations. MBOH will provide an opportunity for public comment on proposed Affordable Communities and Applications. Applicants shall have a brief opportunity to make comments and respond to any information presented regarding their Applications.

Full Funding of Applications

Just as MBOH will not allocate more Credits than necessary for the financial feasibility of the development and its viability, MBOH will not award Credits in an amount less than it deems necessary for these purposes. Therefore, if the Board Awards Credits to an Application, it will Award the amount of Credits determined by MBOH staff for the

Application based upon the Applicant's requested amount (except for any de minimis reduction because of lack of available Credits to fully fund the full Credit amount).

If the remaining amount of available Credits is insufficient to fully fund an additional Project, before Awarding a Project in an amount less than requested by the Applicant (except for any de minimis reduction) the Board may:

- prioritize the remaining Projects for an Award from the remaining Credits;
- make any remaining Credits available in a future cycle;
- increase the amount of Housing Credits reserved for a previously Awarded Project based upon the Project's application for an increase submitted under Item III, Section K, of the QAP;
- elect to Award less than all available Credits;
- elect to not Award any Credits; or
- adopt any other reasonable option permitted under this QAP.

The first priority Project for an Award will be allowed 30 days to re-submit its Application resized to the amount of Credits remaining available. If MBOH determines that the development is financially feasible, it will enter into a Reservation Agreement. If the first priority Project fails to submit or is not feasible, MBOH will invite the next priority Project(s).

If all of the authorized Credits are Awarded after a particular cycle, MBOH may place qualifying Applications which did not receive an Award on a waiting list for potential Award in the event Credits become available at a later date.

Award Determination Selection Standard

Montana Department of Commerce | commerce.mt.gov | Montana Board of Housing
P.O. Box 200528 | Helena, MT 59620-0528 | Phone: 406-841-2840 | Fax: 406-841-2841
Montana Relay 711: dphhs.mt.gov/detd/mtap/traditionalrelayservice



The MBOH Board will select Applications to receive an Award that it determines best meet the most pressing affordable housing needs of low-income people in Montana, taking into consideration:

- All of the requirements, considerations, factors, limitations, Development Evaluation Criteria, set asides, priorities and data (including without limitation the statistical data in the MBOH Statistical Data Form) set forth in this QAP and all federal requirements (together referred to in this QAP as the “Selection Criteria”);
 - The Development Evaluation Criteria scoring; and
 - All other information provided to the MBOH Board regarding the applicant Projects.
1. The geographical distribution of Housing Credit Projects;
 2. The rural or urban location of the Projects;
 3. The overall income levels targeted by the Projects (including deeper targeting of income levels);
 4. The need for affordable housing in the community, including but not limited to current Vacancy Rates;
 5. Rehabilitation of existing low-income housing stock;
 6. Sustainable energy savings initiatives;
 7. Financial and operational ability of the Applicant to fund, complete and maintain the Project through the Extended Use Period;
 8. Past performance of an Applicant in initiating and completing tax credit Projects;
 9. Cost of construction, land and utilities, including but not limited to costs/credits per square foot/unit;
 10. The Project is being developed in or near a historic downtown neighborhood;

11. The frequency of Awards in the respective areas where Projects are located;
12. Preserving project rental assistance or have or are planning to add Section 811 units to an existing project; and/or
13. Augmentation and/or sources of funds.

If the MBOH Board Awards Credits to an Applicant where the Award is not in keeping with the Selection Criteria of this QAP, it will publish a written explanation that will be made available to the general public pursuant to Section 42(m)(1)(A)(iv) of the Internal Revenue Code.

If all of the authorized Credits are Awarded after a particular cycle, MBOH may place qualifying Applications which did not receive an Award of tax credits on a waiting list for potential Award of Housing Credits in the event Credits become available at a later date. Any available Credits that are not Awarded or reserved in a particular cycle may in the discretion of the MBOH Board be made available for Award in a future cycle or may be used to increase the amount of Housing Credits reserved for a previously Awarded Affordable Community as provided in this QAP.

2026 Housing Credit Staff Observations:

Project	DCR 9%	DCR Combined	Trending Up/Down	Expense Ratio	Combined Expense	Units	Credit Amount	Rehab /New
Sheep Mtn 9	1.34	1.25	Up 1.25-1.42		1.11	24	\$6,700,000	New
Saddlehorn	1.25		Down 1.25-1.17	1.07		30	\$8,500,000	New
Outpost	1.34		Up-ranges 1.34-1.51	1.14		24	\$8,500,000	New
Golden Lion	1.17		Up 1.17-1.36	1.09		20	\$4,240,000	Rehab
Towers 9	1.49	1.54	Down 1.54-1.26		1.11	44	\$7,500,000	Rehab
Granite Peak	1.48		Up-ranges 1.48-1.51	1.14		36	\$8,500,000	New
Pintler Pines	1.90		down	1.11		24	\$8,500,000	New
Wildflower 9	2.46	1.71	Up 1.71-2.07	1.62	1.36	40	\$8,500,000	Rehab

DCR if trending down has 1.5 max; if trending up max of 1.35

We typically see expense ratio between 1.05 and 1.15

Project	Soft Costs	Avg Inc Target	Home	HTF	MBOH Loans
Sheep Mtn 9	38.60%	52.92%	\$0	\$0	\$0
Saddlehorn	29.62%	47.67%	\$1,150,000	\$1,150,000	\$0
Outpost	37.76%	52.92%	\$0	\$0	\$0
Golden Lion	42.57%	45.50%	\$125,000	\$525,000	\$0
Towers 9	33.09%	52.95%	\$0	\$1,700,000	\$0
Granite Peak	34.91%	50.33%	\$1,601,000	\$1,559,000	\$1,858,000
Pintler Pines	40.89%	52.92%	\$461,000	\$461,000	\$0
Wildflower 9	28.04%	60.00%	\$0	\$0	\$0

Maximum for soft cost ratio on 9% projects is 40%

Significant requests for federal HOME and HTF funds

MBOH loan funds will not be available for application until around April 2026

Income Levels Targeted

Comments

5 units at 30%, 14 units at 50%, 1 unit at 60%. Average income targeting is: 45.5%

Project Efficiency

Credits Per Unit	\$212,000.00
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Cost Per Unit	\$281,407.00
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% of Soft Costs	42.57%
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Comments

Over the Soft Cost Threshold of 40% for 9% credits. Developer is asking for a waiver for the Soft Cost Ratio

Location Considerations

Comments

Market Study shows Vacancy Rate of 0.5%.

Geographic Distribution

Comments

Lincoln County has 24 units approved as a 9% project and 34 as 4% project approved in the last 10 years.

Community Contributions

Comments

N/A

Other Project Notes

Project Type	Family
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Period of Affordability (yrs)	50
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QCT, DDA or Discretionary	Qualified Census Tract (QCT)
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Rental Subsidies	Project Based Section 8
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Developer Performance	No Past Issues
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Substantial Changes	No
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Amenities

Air Conditioning, Dishwasher, Garbage Disposal, Washer/Dryer hookups, Community Garden, Community Room, Computer(s) for tenant use, On site Manager, Outdoor Community Area, Hotspot/Wi-Fi

Other	Developer wants the project to remain an Elderly project if awarded instead of Family as stated on application.
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Income Levels Targeted

Comments

31 units at 50%, 12 units at 60% and 1 manager unit at 60%. Average income targeting is 52.95%.

Project Efficiency

Credits Per Unit	\$170,455.00
Cost Per Unit	\$236,460.00
% of Soft Costs	27.67
Comments	
The combined soft cost is 33.09% and the combined cost per unit is \$230,002.	

Location Considerations

Comments

Market Study shows Vacancy Rate of 5.7%

Geographic Distribution

Comments

Yellowstone County has 340 units approved as 9% and 637 units approved as 4% in the last 10 years.

Community Contributions

Comments

Combined Project Sources include Billings HOME application of \$600,000.

Other Project Notes

Project Type	Senior
Period of Affordability (yrs)	50
QCT, DDA or Discretionary	Qualified Census Tract (QCT)
Rental Subsidies	Project Based Section 8
Developer Performance	4% application for LB Lofts has not been submitted. Developer stated at LOI presentation that pricing will take place with Towers if awarded.
Substantial Changes	HC request went from \$8,495,000 down to \$7,500,000 at Full Application
Amenities	
Air Conditioning, Community Room, Library, On Site Manager, Outdoor Community Area, Communal Laundry Room.	

Other

This is a twinned 9%/4% project. DCR Combined is 1.54 which is over the threshold.

Income Levels Targeted

Comments

7 units at 30%, 8 units at 50%, 15 units at 60%, 6 units at market rate. Average income targeting is: 50.33%

Project Efficiency

Credits Per Unit	\$283,333.00
Cost Per Unit	\$364,908.00
% of Soft Costs	34.91%
Comments	
N/A	

Location Considerations

Comments

Market study shows a vacancy rate of 0.7%.

Geographic Distribution

Comments

Silver Bow county has had 58 units approved as a 9% project and 374 units approved as a 4% project in the last 10 years.

Community Contributions

Comments

\$50,000 donation from Northwest Integrity Housing Co for life enriching activities at Granite Peak, including a picnic area with covered shelter, raised garden beds, or infrastructure necessary to construct Granite Peak.

Other Project Notes

Project Type	Senior
Period of Affordability (yrs)	50
QCT, DDA or Discretionary	N/A
Rental Subsidies	No project based rental subsidies
Developer Performance	No past issues
Substantial Changes	No substantial changes from LOI
Amenities	
Dishwasher, Disposal, Extra storage outside unit, Microwave, Patios or Balconies, Washer/dryer hookups, Washer/dryer in unit, Community Garden, Community Room, Computer(s) for tenant use, Library, On site Manager, Outdoor community area, Hotspot/Wi-Fi	
Other	None

Income Levels Targeted

Comments

17 units at 50%, 7 units at 60%. Average income targeting is: 52.92%

Project Efficiency

Credits Per Unit	\$354,167.00
Cost Per Unit	\$364,953.00
% of Soft Costs	37.76%
Comments	
N/A	

Location Considerations

Comments

Market study shows a vacancy rate of 2.1%.

Geographic Distribution

Comments

Flathead County has 156 units approved as a 9% project and 322 units approved as a 4% project in the last 10 years.

Community Contributions

Comments

Kalispell TIF \$375,000. Tax Increment Financing will be utilized to fund eligible off-site public improvements necessary for the project, such as utility extensions and roadway infrastructure. This financing will be approved upon issuance of building permits.

Other Project Notes

Project Type	Family
Period of Affordability (yrs)	50
QCT, DDA or Discretionary	Qualified Census Tract (QCT)
Rental Subsidies	No project based rental units
Developer Performance	No past issues
Substantial Changes	No substantial changes from LOI
Amenities	
Air Conditioning, Dishwasher, Microwave, Washer/dryer hookups, Patios or Balconies, Washer/dryer in unit, Community Garden, On site Manager, Outdoor community area, Play Area	
Other	None

Income Levels Targeted

Comments

7 units at 30%, 16 units at 50%, 7 units at 60%. Average Income targeting is: 47.67%

Project Efficiency

Credits Per Unit	\$283,333.00
Cost Per Unit	\$357,391.00
% of Soft Costs	29.62%
Comments	
N/A	

Location Considerations

Comments

Market study shows a vacancy rate of 7.2%.

Geographic Distribution

Comments

Custer County has 0 units approved as a 9% project and 0 units approved as a 4% project in the last 10 years.

Community Contributions

Comments

N/A

Other Project Notes

Project Type	Family
Period of Affordability (yrs)	50
QCT, DDA or Discretionary	Discretionary Boost
Rental Subsidies	No project based rental units
Developer Performance	No past issues
Substantial Changes	28 units at LOI. Increased to 30 units at full application
Amenities	
Air Conditioning, Dishwasher, Disposal, Microwave, Patios or Balconies, Washer/dryer hookups, Washer/dryer in unit, Basketball hoop/pad, On site Manager, Outdoor community area, Play Area.	
Other	None

Income Levels Targeted

Comments

2 units at 30%, 11 units at 50%, 11 units at 60%. Average Income targeting is: 52.92%

Project Efficiency

Credits Per Unit	\$354,166.67
Cost Per Unit	\$362,232.75
% of Soft Costs	40.89%
Comments	
Soft costs are above the 40% threshold. Developer advised if selected they will reduce developer fees to bring the ratio under 40%.	

Location Considerations

Comments

Market study shows a vacancy rate that ranges from 4.2% - 5.7%.

Geographic Distribution

Comments

Anaconda-Deer Lodge County has 0 units approved as a 9% project and 0 units approved as a 4% project in the last 10 years.

Community Contributions

Comments

Anaconda-Deer Lodge County is donating a designated parcel of county-owned land and has allocated \$162,207 in Neighborhood Stabilization Program (NSP) funds.

Other Project Notes

Project Type	Senior
Period of Affordability (yrs)	50
QCT, DDA or Discretionary	Qualified Census Tract (QCT)
Rental Subsidies	No project based rental units
Developer Performance	No past issues
Substantial Changes	No substantial changes from LOI
Amenities	
Air Conditioning, Dishwasher, Disposal, Extra storage outside unit, Microwave, Patios or Balconies, Washer/dryer in unit, Community Garden, Community Room, Library, On site Manager, Outdoor community area.	
Other	None

Income Levels Targeted

Comments

40 units at 60%. Average income targeting is: 60%.

Project Efficiency

Credits Per Unit	\$212,500.00
Cost Per Unit	\$319,147.00
% of Soft Costs	27.31%
Comments	
The combined soft cost is 28.04% and the combined cost per unit is \$314,281.	

Location Considerations

Comments

Market study shows a vacancy rate of 3.0%

Geographic Distribution

Comments

Missoula County has 101 units approved as a 9% project and 585 units approved as 4% projects in the last 10 years.

Community Contributions

Comments

N/A

Other Project Notes

Project Type	Family
Period of Affordability (yrs)	50
QCT, DDA or Discretionary	N/A
Rental Subsidies	No project based rental units
Developer Performance	No past issues
Substantial Changes	No substantial changes from LOI
Amenities	
Air Conditioning, Carport/Garage, Dishwasher, Microwave, Patios/balconies, On site manager, outdoor community area, play area	
Other	DCR starts at 2.46 and goes up over 15 years. The combined 9%/4% DCR is 1.71 and goes up as well. This is above the QAP standards.

Income Levels Targeted

Comments

17 units at 50%, 7 units at 60%. Average income targeting is: 52.92%

Project Efficiency

Credits Per Unit	\$279,167.00
Cost Per Unit	\$264,583.00
% of Soft Costs	39.34%
Comments	
The combined soft cost is 38.60%.	

Location Considerations

Comments

Market study shows a vacancy rate of 4.4%.

Geographic Distribution

Comments

Park County has 71 units approved as 9% projects and 89 units approved as 4% projects in the last 10 years.

Community Contributions

Comments

N/A

Other Project Notes

Project Type	Family
Period of Affordability (yrs)	50
QCT, DDA or Discretionary	Qualified Census Tract (QCT)
Rental Subsidies	No project based rental units
Developer Performance	No past issues
Substantial Changes	No substantial changes from LOI
Amenities	
Air Conditioning, Dishwasher, Disposal, Extra storage outside unit, Microwave, Community Room, Outdoor community area, Play area, Hotspot/Wi-Fi	
Other	none

**Montana Housing
2026 Housing Credit Awards**

2026 Housing Credit Awards								Letter of Intent		Full App				
City	County	Project Name	Sponsor / Developer	Entity Type	Set-aside	Housing Type	Construction Type	9% Units	HC Request 10 yr total	9% Units	HC Request 10 yr total	9% Units	Awarded	4% Units
Letter of Intent Invited to Full Application														
1	Troy	Lincoln	Golden Lion Manor	American Covenant	Non-Profit	Small	Senior	Acq/Rehab	20	\$ 4,240,000	20	\$ 4,240,000		
2	Billings	Yellowstone	Tower 9%	Homeword	Non-Profit	General	Senior	Acq/Rehab	44	\$ 8,495,000	44	\$ 7,500,000		101
3	Butte	Silver Bow	Granite Peak	Thomas Development	Non-Profit	General	Senior	New	36	\$ 8,499,890	36	\$ 8,500,000		
4	Kalispell	Flathead	Outpost at Kalispell	Mach LLC	Non-Profit	General	Family	New	24	\$ 8,500,000	24	\$ 8,500,000		
5	Miles City	Custer	Saddle Horn Apts	CR Builders	Non-Profit	General	Family	New	28	\$ 8,500,000	30	\$ 8,500,000		
6	Anaconda	Deer Lodge	Pintler Pines	The Housing Company	Non-Profit	General	Senior	New	24	\$ 8,500,000	24	\$ 8,500,000		
7	Missoula	Missoula	Wildflower Apts 9%	Missoula Housing	Non-Profit	General	Family	Acq/Rehab	40	\$ 8,500,000	40	\$ 8,500,000		56
8	Livingston	Park	Sheep Mtn Res 9%	Boundry Development	For Profit	General	Family	New	24	\$ 6,700,000	24	\$ 6,700,000		24
* - The above was randomly selected and is the order of project updates at the October meeting.								240	61,934,890	242	60,940,000	-	-	

* - The above was randomly selected and is the order of project updates at the October meeting.

* - 2025 Small State Minimum credit total will be used until actual 2026 credits available are released.

2026 Current Year Credits 35,300,000
 2025 Credits Remaining -
 Returned Credits -
 2026 National Pool Credits -

35,300,000
balance remaining

Available Credits: 35,300,000
 Minimum Required to be Awared to Non-Profits (10%): 3,530,000
 Maximum Request for a Small Rural Project (12.5%): 4,412,500
 Maximum Credit Per Project: 8,500,000

**2026 Housing Credits
Comparative Data**

Project Name	HC Requested	# units	Ave Inc Targeting	Total Cost per unit total	Total Cost per unit Const / Rehab
Golden Lion	4,240,000	20	45.50%	281,407	94,173
Towers 9	7,500,000	44	52.95%	236,460	88,920
Towers 4	10,452,430	101	60.00%	227,189	86,173
Towers 4/9	18,855,800	145	56.90%	230,002	87,007
Granite Peak	8,500,000	36	50.33%	364,908	254,291
Outpost	8,500,000	24	52.92%	364,953	224,332
Saddlehorn	8,500,000	30	47.67%	357,391	254,589
Pintler Pines	8,500,000	24	52.92%	362,233	241,936
Wildflower 9	8,500,000	40	60.00%	319,147	81,868
Wildflower 4	6,065,000	56	60.00%	310,804	72,625
Wildflower 9/4	14,565,000	96	60.00%	314,281	76,476
Sheep Mtn 9	6,700,000	24	52.92%	264,583	177,049
Sheep Mtn 4	3,026,400	24	60.00%	262,500	177,049
Sheep Mtn 9/4	9,726,400	48	56.46%	263,542	177,049

**2026 Housing Credits
Comparative Data**

Project Name	Total Project Cost per sq ft	Construction / Rehab per sq ft	% of Project Financed by HC:	Credits per sq ft
Golden Lion	473.75	158.54	60.26%	356.90
Towers 9	323.92	121.81	57.66%	233.50
Towers 4	267.66	101.52	38.94%	121.92
Towers 4/9	282.99	107.05	44.78%	160.00
Granite Peak	393.73	235.69	54.99%	297.17
Outpost	400.77	223.47	78.60%	388.93
Saddlehorn	345.57	211.20	62.62%	273.96
Pintler Pines	504.85	286.75	81.14%	493.61
Wildflower 9	396.51	94.66	52.73%	264.01
Wildflower 4	413.43	89.16	27.57%	144.07
Wildflower 9/4	408.69	92.13	38.22%	197.30
Sheep Mtn 9	348.14	232.96	84.41%	367.32
Sheep Mtn 4	345.39	232.96	41.32%	165.92
Sheep Mtn 9/4	346.77	232.96	62.95%	266.62

City			Troy	Billings	Billings	Billings	Butte	Kalispell	Miles City
County			Lincoln	Yellowstone	Yellowstone	Yellowstone	Silver Bow	Flathead	Custer
Project Name			Golden Lion	Towers 9	Towers 4	Towers 4/9	Granite Peak	Outpost	Saddlehorn
HC Requested			4,240,000	7,500,000	10,452,430	18,855,800	8,500,000	8,500,000	8,500,000
Unit Numbers	Target								
0-bdrm	60%		-	-	36	36	-	-	-
1-bdrm	30%		5	-	-	-	3	-	3
1-bdrm	50% (Low HM)		1	-	-	-	4	-	2
1-bdrm	50%		12	29	-	29	-	9	3
1-bdrm	60%		-	11	18	29	7	3	4
1-bdrm	0%		-	-	18	18	-	-	-
1-bdrm	0%		-	-	26	26	-	-	-
2-bdrm	30%		-	-	-	-	4	-	2
2-bdrm	50% (Low HM)		-	-	-	-	4	-	2
2-bdrm	50%		1	2	-	2	-	8	6
2-bdrm	60%		1	1	2	3	8	4	2
3-bdrm	30%		-	-	-	-	-	-	2
3-bdrm	50% (Low HM)		-	-	-	-	-	-	1
3-bdrm	50%		-	-	-	-	-	-	2
3-bdrm	60%		-	-	-	-	-	-	1
other	0%		-	-	-	1	2	-	-
other	mkt		-	-	-	-	4	-	-
other	mgt(60%)		-	1	1	1	-	-	-
Total Units			20	44	101	145	36	24	30
Average Income Targeting			45.50%	52.95%	60.00%	56.90%	50.33%	52.92%	47.67%
Square Footage									
Income Restricted Units			9,880	22,137	49,562	71,699	21,764	19,908	27,699
Managers Unit(s)			-	723	700	1,423	890	-	-
Common Space			2,000	9,260	35,468	44,728	5,949	1,947	3,327
Market/Commercial			-	-	-	-	4,762	-	-
Total			11,880	32,120	85,730	117,850	33,365	21,855	31,026
Unit Rents									
0-bdrm	60%		-	-	881	881	-	-	-
1-bdrm	30%		1,133	-	-	-	359	-	410
1-bdrm	50% (Low HM)		1,133	-	-	-	687	-	740
1-bdrm	50%		1,133	1,041	-	1,041	-	741	740
1-bdrm	60%		-	1,041	1,041	1,041	851	922	900
1-bdrm	0%		-	-	1,036	1,036	-	-	-
1-bdrm	0%		-	-	1,114	1,114	-	-	-
2-bdrm	30%		-	-	-	-	413	-	475
2-bdrm	50% (Low HM)		-	-	-	-	806	-	860
2-bdrm	50%		1,286	1,301	-	1,301	-	866	860
2-bdrm	60%		1,286	1,301	1,301	1,301	1,003	1,083	1,000
3-bdrm	30%		-	-	-	-	-	-	540
3-bdrm	50% (Low HM)		-	-	-	-	-	-	975
3-bdrm	50%		-	-	-	-	-	-	975
3-bdrm	60%		-	-	-	-	-	-	1,200
other	0%		-	-	-	1,301	1,310	-	-
other	mkt		-	-	-	-	1,600	-	-
other	mgt(60%)		-	1,301	1,114	1,114	-	-	-
Total Monthly Rents			22,966	46,844	101,782	148,626	31,702	20,695	23,565
vacancy factor			10.00%	7.00%	5.00%	5.00%	7.00%	7.00%	7.00%
Adjusted Rent			20,669	43,565	96,693	141,195	29,483	19,246	21,915
other/commercial income			120	311	684	995	1,059	2,825	146
total rent			20,789	43,876	97,377	142,190	30,542	22,071	22,061
x 12 months			12	12	12	12	12	12	12
Total Annual Income			249,473	526,509	1,168,525	1,706,278	366,502	264,856	264,735

City	Troy	Billings	Billings	Billings	Butte	Kalispell	Miles City
County	Lincoln	Yellowstone	Yellowstone	Yellowstone	Silver Bow	Flathead	Custer
Project Name	Golden Lion	Towers 9	Towers 4	Towers 4/9	Granite Peak	Outpost	Saddlehorn
HC Requested	4,240,000	7,500,000	10,452,430	18,855,800	8,500,000	8,500,000	8,500,000
Expenses							
Administration	11,000	21,458	53,272	74,730	21,726	7,440	15,910
Management	18,007	37,109	69,424	106,533	18,325	9,853	15,779
Maintenance	20,350	58,178	136,751	194,929	28,584	59,514	47,520
Operating	54,960	221,193	579,968	801,161	147,108	50,921	85,010
Taxes	-	1,625	4,585	6,210	-	-	800
Replacement Reserve	7,000	15,400	35,350	50,750	12,600	8,400	10,500
Total Expenses	111,317	354,963	879,350	1,234,313	228,343	136,128	175,519
Net Income Before Debt Service	138,156	171,546	289,175	471,965	138,159	128,728	89,216
Financing Sources							
Hard Loan	1,426,472	300,000	1,200,000	1,200,000	205,000	1,321,675	500,000
Hard Loan	-	2,161,710	5,731,145	7,615,348	1,388,000	-	1,150,000
Soft Loan	-	-	300,000	2,161,710	470,000	-	-
Soft Loan	-	1,884,203	-	300,000	-	-	-
State HOME	125,000	-	600,000	-	1,601,000	-	1,150,000
State NHTF	525,000	-	1,700,000	1,700,000	1,559,000	-	1,150,000
Other	-	-	100,000	400,000	95,000	375,000	-
Other	160,000	-	707,000	707,000	-	-	-
Other	-	-	-	600,000	-	-	-
Other	-	-	2,007,942	2,007,942	200	-	-
Deferred Dev Fee	-	58,945	1,664,066	1,723,011	594,285	177,876	57,404
HC Equity Competitive	3,391,661	5,999,400	-	5,999,400	7,224,206	6,884,312	6,714,329
HC Equity Non-Competitive	-	-	8,935,934	8,935,934	-	-	-
Total Sources:	5,628,133	10,404,258	22,946,087	33,350,345	13,136,691	8,758,863	10,721,733
% of Project Financed by HC:	60.26%	57.66%	38.94%	44.78%	54.99%	78.60%	62.62%
Return on Sale of HTC							
HTC Requested	4,240,000	7,500,000	10,452,430	18,855,800	8,500,000	8,500,000	8,500,000
HTC Equity	3,391,661	5,999,400	8,935,934	14,935,334	7,224,206	6,884,312	6,714,329
HTC Return on Sale	0.800	0.800	0.855	0.792	0.850	0.810	0.790
Ratios							
Rent (Income)	249,473	526,509	1,168,525	1,706,278	366,502	264,856	264,735
Operating Expenses	104,317	339,563	844,000	1,183,563	215,743	127,728	165,019
Replacement Reserves	7,000	15,400	35,350	50,750	12,600	8,400	10,500
Net Income Available for DS	138,156	171,546	289,175	471,965	138,159	128,728	89,216
Total Debt Service	\$118,484	\$115,510	\$190,367	\$305,877	\$93,440	\$95,819	\$71,629
Debt Coverage Ratio (DCR)	1.17	1.49	1.52	1.54	1.48	1.34	1.25
Total Expense Ratio	1.09	1.12	1.09	1.11	1.14	1.14	1.07
Project Costs							
Land	295,000	-	210,991	210,991	470,000	900,000	500,000
Building/Acquisition	1,655,000	4,045,913	7,528,096	11,574,009	-	-	-
Site Work	-	-	-	-	1,290,832	500,000	1,084,816
Construction / Rehab	1,883,450	3,912,500	8,703,500	12,616,000	7,863,643	4,883,972	6,552,843
Soft Costs	971,640	951,845	3,002,500	3,954,345	1,766,769	1,365,591	1,560,500
Developer Fees	658,043	1,250,000	2,800,000	4,050,000	1,638,187	1,007,000	900,000
Reserves	165,000	244,000	701,000	945,000	107,261	102,300	123,574
Total Project Costs	5,628,133	10,404,258	22,946,087	33,350,345	13,136,691	8,758,863	10,721,733
Supportive Services Costs	-	-	-	-	-	-	-
Residential Costs	5,628,133	10,404,258	22,946,087	33,350,345	13,136,691	8,758,863	10,721,733

City		Troy	Billings	Billings	Billings	Butte	Kalispell	Miles City
County		Lincoln	Yellowstone	Yellowstone	Yellowstone	Silver Bow	Flathead	Custer
Project Name		Golden Lion	Towers 9	Towers 4	Towers 4/9	Granite Peak	Outpost	Saddlehorn
HC Requested		4,240,000	7,500,000	10,452,430	18,855,800	8,500,000	8,500,000	8,500,000
<u>Costs versus Sources</u>								
Total Project Costs		5,628,133	10,404,258	22,946,087	33,350,345	13,136,691	8,758,863	10,721,733
Total Financing Sources		5,628,133	10,404,258	22,946,087	33,350,345	13,136,691	8,758,863	10,721,733
Difference		-	-	0	-	-	-	-
<u>Project Cost Limitations</u>								
	<u>Limits</u>							
General Requirements	6.00%	3.34%	4.93%	4.72%	4.78%	3.84%	4.79%	5.90%
Contractor Overhead	2.00%	1.11%	1.64%	1.57%	1.59%	1.28%	1.55%	1.91%
Contractor Profit	6.00%	3.34%	4.93%	4.72%	4.78%	3.84%	3.34%	4.71%
Developer Fees	15.00%	14.59%	14.03%	14.56%	14.39%	15.00%	14.92%	9.78%
Soft Cost	40 or 45%	42.57%	27.67%	35.75%	33.09%	34.91%	37.76%	29.62%
<u>Per Unit Comparison</u>								
	<u>Limits</u>							
Cost per unit total	n/a	281,407	236,460	227,189	230,002	364,908	364,953	357,391
Cost per unit residential only	\$365,000	281,407	236,460	227,189	230,002	364,908	364,953	357,391
Cost per unit Const / Rehab	n/a	94,173	88,920	86,173	87,007	254,291	224,332	254,589
Credits per unit	n/a	212,000	170,455	103,489	130,040	283,333	354,167	283,333
Operating Cost per unit	\$3,000 min	5,216	7,717	8,356	8,163	5,993	5,322	5,501
Replacement Reserves	\$350 min	350	350	350	350	350	350	350
<u>Per Square Foot Comparison</u>								
Construction / Rehab per sq ft		158.54	121.81	101.52	107.05	235.69	223.47	211.20
Total Project Cost per sq ft		473.75	323.92	267.66	282.99	393.73	400.77	345.57
Credits per sq ft		356.90	233.50	121.92	160.00	297.17	388.93	273.96
Credits per sq ft (residential only)		429.15	328.08	207.96	257.87	375.21	426.96	306.87
<u>Utilities Paid by (Tenant / Owner)</u>								
		Owner	Owner	Owner	Owner	Tenant	Tenant	enant and Owner
Market Study Data:								
Vacancy Rates		0.5%	5.7%	5.7%	5.7%	0.7%	0- to 3.9%	7.2%
Absorption Rate		24.6%	50.8%	50.8%	50.8%	12.0%	80.9%	4.1%
Months to Absorb		3	1	1	1	2	2 to 3 Months	5
Average Project Rent		-	1,065	1,008	1,025	-	-	933
Average Market Rent		1,218	1,113	1,113	1,113	500	1,486	1,253
nits needed for Targeted AMI's		81	975	975	975	1,725	765	731
<u>Market Rents</u>								
0-bdrms		-	881	881	881	-	-	-
1-bdrms		1,135	1,114	1,114	1,114	1,350	1,389	1,100
2-bdrms		1,300	1,343	1,343	1,343	1,650	1,583	1,150
3-bdrms		-	-	-	-	-	-	1,510

City		Anaconda	Missoula	Missoula	Missoula	Livingston	Livingston	Livingston
County		Deer Lodge	Missoula	Missoula	Missoula	Park	Park	Park
Project Name		Pintler Pines	Wildflower 9	Wildflower 4	Wildflower 9/4	Sheep Mtn 9	Sheep Mtn 4	Sheep Mtn 9/4
HC Requested		8,500,000	8,500,000	6,065,000	14,565,000	6,700,000	3,026,400	9,726,400
Unit Numbers	Target							
0-bdrm	60%	-	8	12	20	-	-	-
1-bdrm	30%	1	-	-	-	-	-	-
1-bdrm	50% (Low HM)	1	-	-	-	-	-	-
1-bdrm	50%	9	-	-	-	11	-	11
1-bdrm	60%	7	8	12	20	5	16	21
1-bdrm	0%	-	-	-	-	-	-	-
1-bdrm	0%	-	-	-	-	-	-	-
2-bdrm	30%	1	-	-	-	-	-	-
2-bdrm	50% (Low HM)	-	-	-	-	-	-	-
2-bdrm	50%	1	-	-	-	4	-	4
2-bdrm	60%	3	12	24	36	2	6	8
3-bdrm	30%	-	-	-	-	-	-	-
3-bdrm	50% (Low HM)	-	-	-	-	-	-	-
3-bdrm	50%	-	-	-	-	2	-	2
3-bdrm	60%	-	12	8	20	-	2	2
other	0%	-	-	-	-	-	-	-
other	mkt	-	-	-	-	-	-	-
other	mgt(60%)	1	-	-	-	-	-	-
Total Units		24	40	56	96	24	24	48
Average Income Targeting		52.92%	60.00%	60.00%	60.00%	52.92%	60.00%	56.46%
Square Footage								
Income Restricted Units		15,530	31,724	41,240	72,964	18,240	18,240	36,480
Managers Unit(s)		890	-	-	-	-	-	-
Common Space		800	472	859	859	-	-	-
Market/Commercial		-	-	-	-	-	-	-
Total		17,220	32,196	42,099	73,823	18,240	18,240	36,480
Unit Rents								
0-bdrm	60%	-	953	953	953	-	-	-
1-bdrm	30%	412	-	-	-	-	-	-
1-bdrm	50% (Low HM)	740	-	-	-	-	-	-
1-bdrm	50%	740	-	-	-	818	-	818
1-bdrm	60%	904	1,003	1,003	1,003	1,007	1,007	1,007
1-bdrm	0%	-	-	-	-	-	-	-
1-bdrm	0%	-	-	-	-	-	-	-
2-bdrm	30%	490	-	-	-	-	-	-
2-bdrm	50% (Low HM)	-	-	-	-	-	-	-
2-bdrm	50%	883	-	-	-	963	-	963
2-bdrm	60%	1,080	1,186	1,186	1,186	1,190	1,190	1,190
3-bdrm	30%	-	-	-	-	-	-	-
3-bdrm	50% (Low HM)	-	-	-	-	-	-	-
3-bdrm	50%	-	-	-	-	1,097	-	1,097
3-bdrm	60%	-	1,357	1,357	1,357	-	1,358	1,358
other	0%	-	-	-	-	-	-	-
other	mkt	-	-	-	-	-	-	-
other	mgt(60%)	1,000	-	-	-	-	-	-
Total Monthly Rents		19,753	46,164	62,792	108,956	22,459	25,968	48,427
vacancy factor		7.00%	5.00%	5.00%	5.00%	7.00%	7.00%	7.00%
Adjusted Rent		18,370	43,856	59,652	103,508	20,887	24,150	45,037
other/commercial income		50	7,896	11,300	19,196	700	700	1,400
total rent		18,420	51,752	70,952	122,704	21,587	24,850	46,437
x 12 months		12	12	12	12	12	12	12
Total Annual Income		221,043	621,022	851,429	1,472,450	259,042	298,203	557,245

City	Anaconda	Missoula	Missoula	Missoula	Livingston	Livingston	Livingston
County	Deer Lodge	Missoula	Missoula	Missoula	Park	Park	Park
Project Name	Pintler Pines	Wildflower 9	Wildflower 4	Wildflower 9/4	Sheep Mtn 9	Sheep Mtn 4	Sheep Mtn 9/4
HC Requested	8,500,000	8,500,000	6,065,000	14,565,000	6,700,000	3,026,400	9,726,400
Expenses							
Administration	13,610	16,844	21,181	38,025	5,180	5,180	10,360
Management	14,019	30,733	43,026	73,759	19,428	22,365	41,793
Maintenance	23,000	73,137	102,393	175,530	42,500	30,500	73,000
Operating	71,000	86,137	120,594	206,731	84,000	44,000	128,000
Taxes	45,000	135	189	324	-	-	-
Replacement Reserve	8,400	14,000	19,600	33,600	8,400	8,400	16,800
Total Expenses	175,029	220,986	306,983	527,969	159,508	110,445	269,953
Net Income Before Debt Service	46,014	400,036	544,446	944,481	99,534	187,758	287,292
Financing Sources							
Hard Loan	325,000	2,029,041	5,559,837	5,559,837	940,000	2,246,997	940,000
Hard Loan	-	-	-	2,029,041	-	1,250,000	2,246,997
Soft Loan	-	-	2,000,000	2,000,000	-	-	1,250,000
Soft Loan	-	820,744	619,899	1,440,643	-	-	-
State HOME	461,000	-	-	-	-	-	-
State NHTF	461,000	-	-	-	-	-	-
Other	162,200	-	4,426,688	4,426,688	-	-	-
Other	55,091	3,161,920	550,682	550,682	-	-	-
Other	-	-	(550,682)	(550,682)	-	-	-
Other	-	-	-	3,161,920	-	-	-
Deferred Dev Fee	175,000	22,527	-	22,527	50,000	200,000	250,000
HC Equity Competitive	7,054,295	6,731,665	-	6,731,665	5,360,000	2,603,003	5,360,000
HC Equity Non-Competitive	-	-	4,798,621	4,798,621	-	-	2,603,003
Total Sources:	8,693,586	12,765,897	17,405,045	30,170,942	6,350,000	6,300,000	12,650,000
% of Project Financed by HC:	81.14%	52.73%	27.57%	38.22%	84.41%	41.32%	62.95%
Return on Sale of HTC							
HTC Requested	8,500,000	8,500,000	6,065,000	14,565,000	6,700,000	3,026,400	9,726,400
HTC Equity	7,054,295	6,731,665	4,798,621	11,530,286	5,360,000	2,603,003	7,963,003
HTC Return on Sale	0.830	0.792	0.791	0.792	0.800	0.860	0.819
Ratios							
Rent (Income)	221,043	621,022	851,429	1,472,450	259,042	298,203	557,245
Operating Expenses	166,629	206,986	287,383	494,369	151,108	102,045	253,153
Replacement Reserves	8,400	14,000	19,600	33,600	8,400	8,400	16,800
Net Income Available for DS	46,014	400,036	544,446	944,481	99,534	187,758	287,292
Total Debt Service	\$24,236	\$162,432	\$389,422	\$551,854	\$74,449	\$155,907	\$230,356
Debt Coverage Ratio (DCR)	1.90	2.46	1.40	1.71	1.34	1.20	1.25
Total Expense Ratio	1.11	1.62	1.22	1.36	1.11	1.12	1.11
Project Costs							
Land	354,000	1,050,000	1,450,000	2,500,000	275,000	275,000	550,000
Building/Acquisition	-	5,527,793	7,758,910	13,286,703	-	-	-
Site Work	868,637	261,715	361,785	623,500	-	-	-
Construction / Rehab	4,937,838	3,047,615	3,753,649	6,801,264	4,249,188	4,249,188	8,498,375
Soft Costs	1,356,315	1,200,087	1,769,373	2,969,460	903,674	845,346	1,749,020
Developer Fees	1,067,162	1,500,390	2,039,500	3,539,890	768,167	763,000	1,531,167
Reserves	109,634	178,297	271,828	450,125	153,972	167,466	321,438
Total Project Costs	8,693,586	12,765,897	17,405,045	30,170,942	6,350,000	6,300,000	12,650,000
Supportive Services Costs	-	-	-	-	-	-	-
Residential Costs	8,693,586	12,765,897	17,405,045	30,170,942	6,350,000	6,300,000	12,650,000

City		Anaconda	Missoula	Missoula	Missoula	Livingston	Livingston	Livingston
County		Deer Lodge	Missoula	Missoula	Missoula	Park	Park	Park
Project Name		Pintler Pines	Wildflower 9	Wildflower 4	Wildflower 9/4	Sheep Mtn 9	Sheep Mtn 4	Sheep Mtn 9/4
HC Requested		8,500,000	8,500,000	6,065,000	14,565,000	6,700,000	3,026,400	9,726,400
<u>Costs versus Sources</u>								
Total Project Costs		8,693,586	12,765,897	17,405,045	30,170,942	6,350,000	6,300,000	12,650,000
Total Financing Sources		8,693,586	12,765,897	17,405,045	30,170,942	6,350,000	6,300,000	12,650,000
Difference		-	-	-	-	0	(0)	0
<u>Project Cost Limitations</u>								
	<u>Limits</u>							
General Requirements	6.00%	5.89%	3.35%	3.77%	3.58%	4.35%	4.35%	4.35%
Contractor Overhead	2.00%	1.72%	1.33%	1.58%	1.47%	1.55%	1.55%	1.55%
Contractor Profit	6.00%	3.22%	2.48%	2.33%	2.40%	4.94%	4.94%	4.94%
Developer Fees	15.00%	14.90%	15.00%	15.00%	15.00%	14.91%	14.98%	14.94%
Soft Cost	40 or 45%	40.89%	27.31%	28.59%	28.04%	39.34%	37.85%	38.60%
<u>Per Unit Comparison</u>								
	<u>Limits</u>							
Cost per unit total	n/a	362,233	319,147	310,804	314,281	264,583	262,500	263,542
Cost per unit residential only	\$365,000	362,233	319,147	310,804	314,281	264,583	262,500	263,542
Cost per unit Const / Rehab	n/a	241,936	81,868	72,625	76,476	177,049	177,049	177,049
Credits per unit	n/a	354,167	212,500	108,304	151,719	279,167	126,100	202,633
Operating Cost per unit	\$3,000 min	6,943	5,175	5,132	5,150	6,296	4,252	5,274
Replacement Reserves	\$350 min	350	350	350	350	350	350	350
<u>Per Square Foot Comparison</u>								
Construction / Rehab per sq ft		286.75	94.66	89.16	92.13	232.96	232.96	232.96
Total Project Cost per sq ft		504.85	396.51	413.43	408.69	348.14	345.39	346.77
Credits per sq ft		493.61	264.01	144.07	197.30	367.32	165.92	266.62
Credits per sq ft (residential only)		517.66	267.94	147.07	199.62	367.32	165.92	266.62
<u>Utilities Paid by (Tenant / Owner)</u>								
		enant and Owner	Tenant	Tenant	Tenant	enant and Owner	enant and Owner	enant and Owner
Market Study Data:								
Vacancy Rates		5.7%	3.0%	3.0%	3.0%	4.4%	4.4%	4.4%
Absorption Rate		15.2%	14.8%	14.8%	14.8%	58.5%	58.5%	58.5%
Months to Absorb		2.7-3.6	-	-	-	7	7	7
Average Project Rent		903	1,288	1,248	1,265	1,079	1,225	1,152
Average Market Rent		1,215	1,600	1,600	1,600	2,602	2,602	2,602
Units needed for Targeted AMI's		129	3,569	3,569	3,569	3,936	3,936	3,936
<u>Market Rents</u>								
0-bdrms		-	1,375	1,375	1,375	-	-	-
1-bdrms		1,090	1,475	1,475	1,475	2,093	2,093	2,093
2-bdrms		1,340	1,650	1,650	1,650	2,251	2,251	2,251
3-bdrms		-	1,900	1,900	1,900	3,461	3,461	3,461

Montana Housing *Board Member Worksheet:*
2026 Housing Credit Full Applications

City	Project Name	Geographic Distribution	Rural or Urban	Overall Income Levels	Need in the Community	Rehab of Existing Stock	Sustainable Energy Savings
1 Troy	Golden Lion Manor						
2 Billings	Tower 9%						
3 Butte	Granite Peak						
4 Kalispell	Outpost at Kalispell						
5 Miles City	Saddle Horn Apts						
6 Anaconda	Pintler Pines						
7 Missoula	Wildflower Apts 9%						
8 Livingston	Sheep Mtn Res 9%						

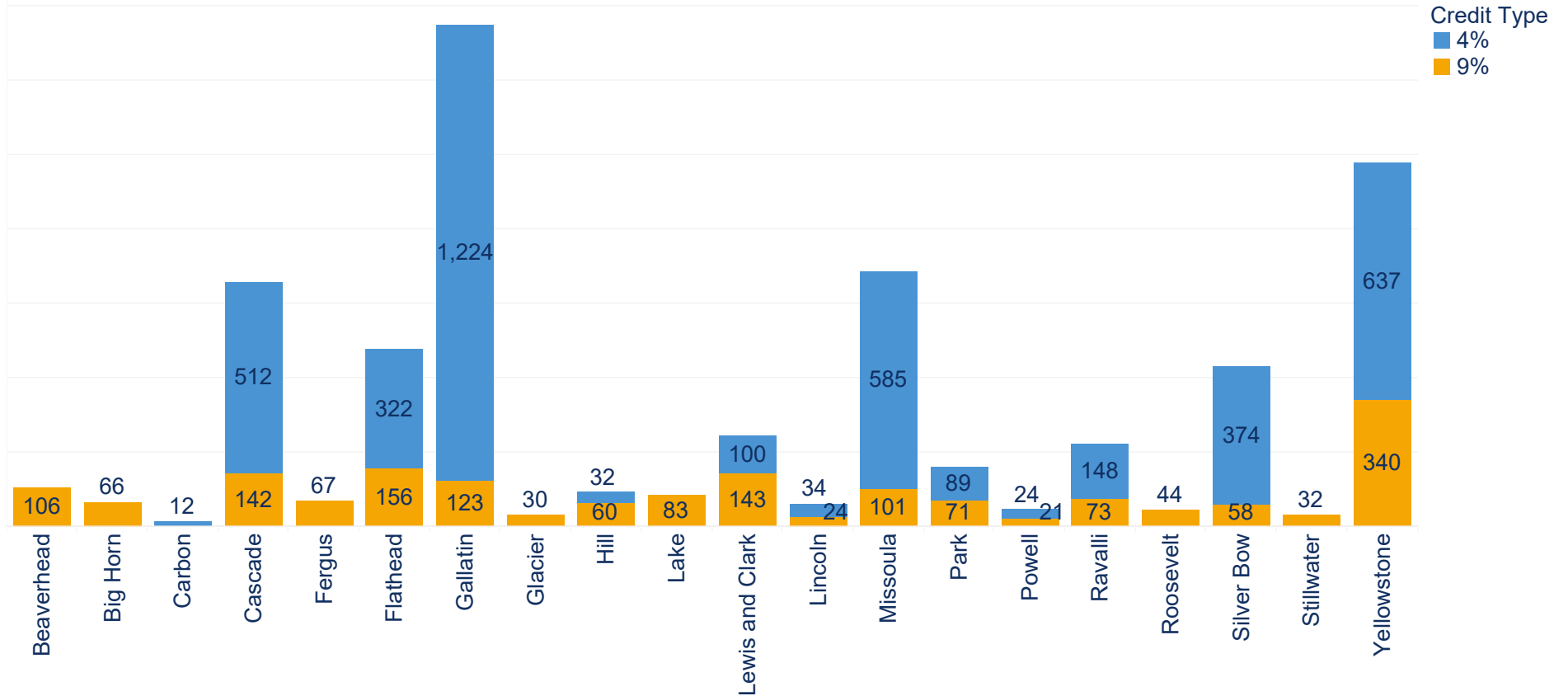
Montana Housing *Board Member Worksheet:*
2026 Housing Credit Full Applications

City	Project Name	Applicants Fin & Oper Ability	Past Performance of Applicant	Cost Const etc.	In or Near Historic Downtown	Freq of Awards in Location	Other QAP Factors
1 Troy	Golden Lion Manor						
2 Billings	Tower 9%						
3 Butte	Granite Peak						
4 Kalispell	Outpost at Kalispell						
5 Miles City	Saddle Horn Apts						
6 Anaconda	Pintler Pines						
7 Missoula	Wildflower Apts 9%						
8 Livingston	Sheep Mtn Res 9%						

Montana 10 Year Developer History

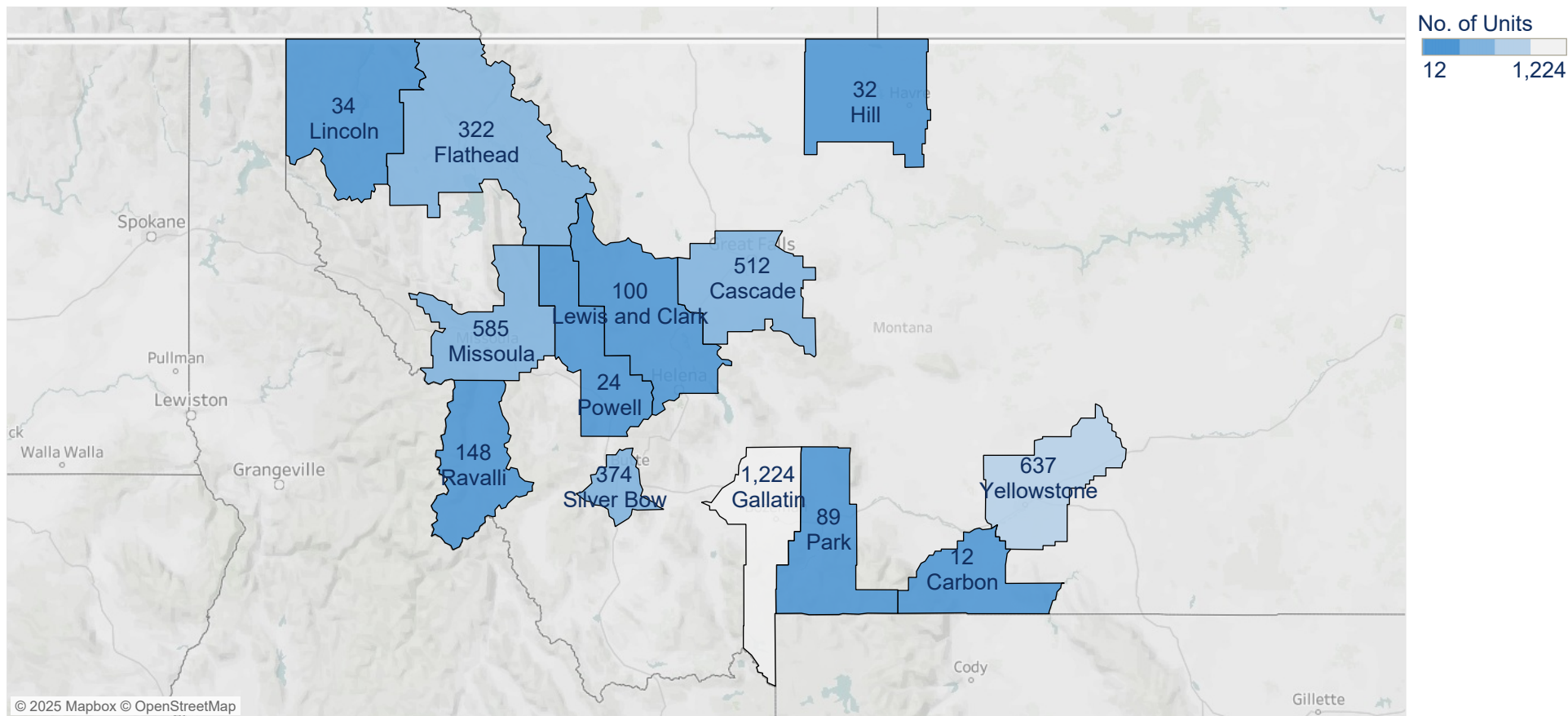
Developer	Project Name	Year Awarded	Actual or Estimated Completion
American Covenant	Cabinet Affordable Housing	2023	2025
	Bigfork Sr	2024	2026
Developer	Project Name	Year Awarded	Actual or Estimated Completion
Homeword	Sweet Grass	2015	2017
	Larkspur Commons	2015	2017
	Little Jon	2016	2018
	Bluebunch Flats	2018	2021
	Starner Gardens	2018	2020
	Alpenglow Apartments	2019	2021
	Crowley Flats	2021	2023
	Trinity Apartments	2021	2023
	Baatz Block Apartments	2022	2025
	Junegrass Place	2022	2025
	Creekside	2023	2026
	LB Lofts	2025	2027
Developer	Project Name	Year Awarded	Actual or Estimated Completion
Thomas Development	Copper Ridge	2018	2020
Developer	Project Name	Year Awarded	Actual or Estimated Completion
CR Builders	Chapel Court	2019	2021
Developer	Project Name	Year Awarded	Actual or Estimated Completion
The Housing Company	Pioneer Meadows	2020	2022
	The Homestead	2025	2027
Developer	Project Name	Year Awarded	Actual or Estimated Completion
United Housing Partners, LLC	River Run	2016	2018
	Fire Tower	2019	2021
	Twin Creek	2024	2025
	Hidden Creek	2025	2027
Developer	Project Name	Year Awarded	Actual or Estimated Completion
Bouchee Development	Opportunity Place	2025	2027
Developer	Project Name	Year Awarded	Actual or Estimated Completion
Boundary Development	Midtown Aspen	2024	2026
Developer	Project Name	Year Awarded	Actual or Estimated Completion
Mach LLC	NA	NA	NA

4% & 9% Project Units by County - Last 10 years



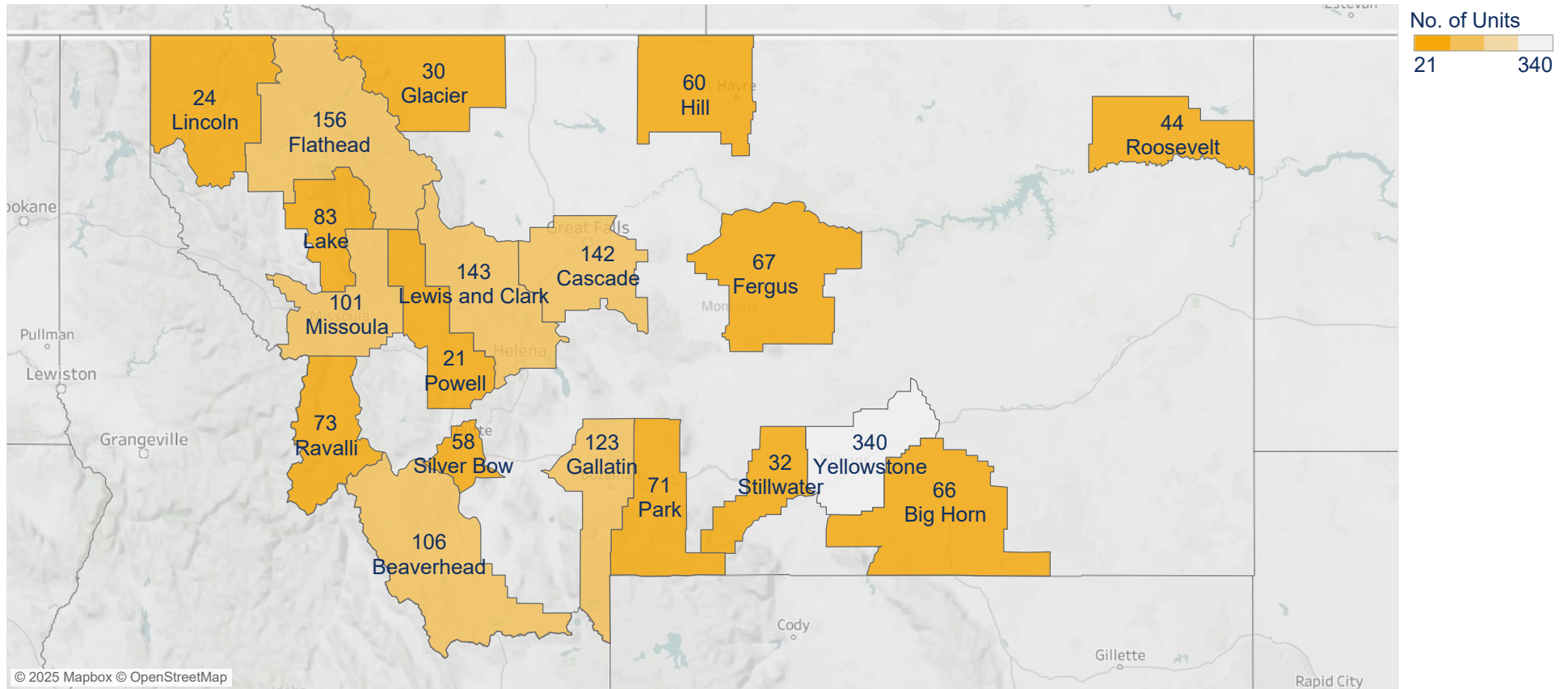
Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Sum of No. of Units for each County. Color shows details about Credit Type. The data is filtered on Year Allocated and ACTIVE or INACTIVE. The Year Allocated filter ranges from 2016 to 2025. The ACTIVE or INACTIVE filter keeps Active. The view is filtered on Credit Type, which keeps 4% and 9%.

No. of units of 4% projects by County - Last 10 Years



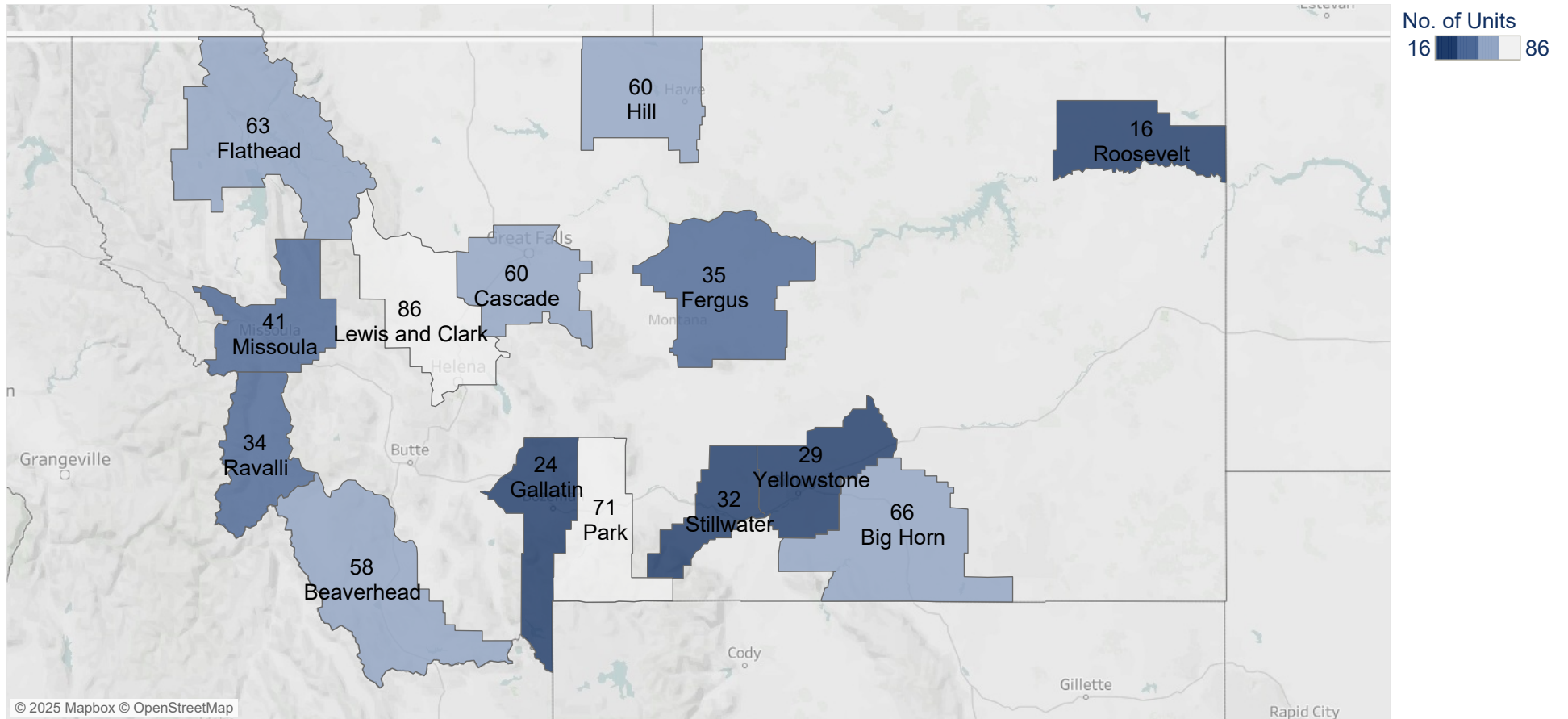
Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Map based on Longitude (generated) and Latitude (generated). Color shows sum of No. of Units. The marks are labeled by County and sum of No. of Units. Details are shown for County. The data is filtered on Credit Type, Year Allocated and ACTIVE or INACTIVE. The Credit Type filter keeps 4%. The Year Allocated filter ranges from 2016 to 2025. The ACTIVE or INACTIVE filter keeps Active.

No. of units of 9% projects by County - Last 10 years



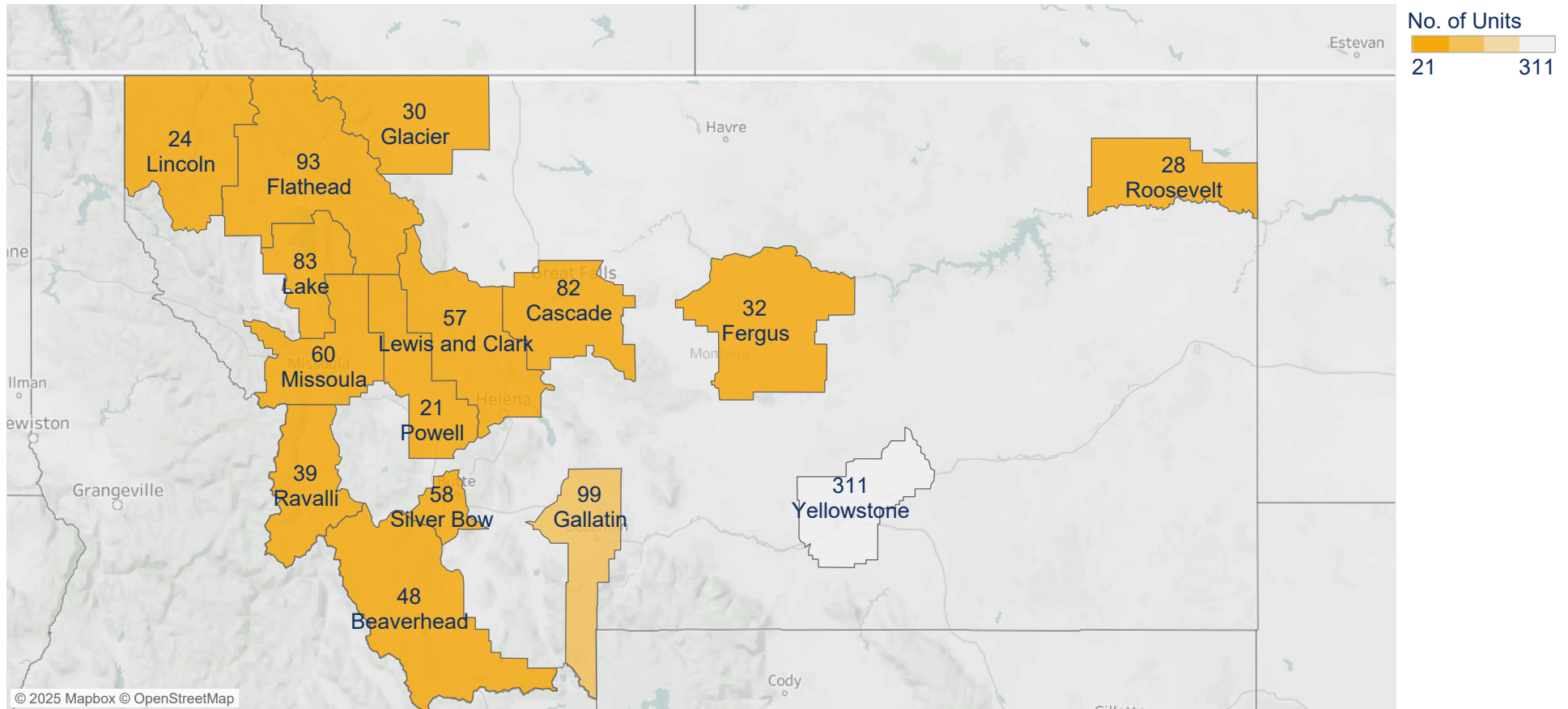
Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Map based on Longitude (generated) and Latitude (generated). Color shows sum of No. of Units. The marks are labeled by sum of No. of Units and County. Details are shown for County. The data is filtered on Credit Type, Year Allocated and ACTIVE or INACTIVE. The Credit Type filter keeps 9%. The Year Allocated filter ranges from 2016 to 2025. The ACTIVE or INACTIVE filter keeps Active.

No. of Units of Acq/Rehab 9% Projects by County - Last 10 Years



Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Map based on Longitude (generated) and Latitude (generated). Color shows sum of No. of Units. The marks are labeled by County and sum of No. of Units. Details are shown for County. The data is filtered on Credit Type, Year Allocated and ACTIVE or INACTIVE. The Credit Type filter keeps 9%. The Year Allocated filter ranges from 2016 to 2025. The ACTIVE or INACTIVE filter keeps Active.

No. of Units of New 9% Projects by County - Last 10 Years



Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Map based on Longitude (generated) and Latitude (generated). Color shows sum of No. of Units. The marks are labeled by County and sum of No. of Units. Details are shown for County. The data is filtered on Credit Type, Type of Construction, Year Allocated and ACTIVE or INACTIVE. The Credit Type filter keeps 9%. The Type of Construction filter keeps New Construction. The Year Allocated filter ranges from 2016 to 2025. The ACTIVE or INACTIVE filter keeps Active.

No. of Units by Project Name - Last 10 Years

Credit Year	Credit Type	Project Name	City	No. of Units
2016	4%	River Run Apartments 4%	Great Falls	96
	9%	Valley Villas	Hamilton	34
		Little Jon Rehab (resyndicated)	Big Fork	31
		Red Fox	Billings	30
		Big Sky Villas	Belgrade	24
		North Star (see add'L credits 2018)	Wolf Point	
		Cascade Ridge II - Additional Allocation See 2015 Orig	Great Falls	
2017	4%	Rockcress 4%	Great Falls	92
		Big Sky Manor resynd 4%	Kalispell	60
	9%	Polson Landing	Polson	35
		Rockcress 9%	Great Falls	32
		Blackfeet VI	Browning	30

Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Sum of No. of Units broken down by Measure Names vs. Year Allocated, Credit Type, Project Name and Project City. The data is filtered on Year Allocated and ACTIVE or INACTIVE. The Year Allocated filter ranges from 2016 to 2025. The ACTIVE or INACTIVE filter keeps Active.

No. of Units by Project Name - Last 10 Years

Credit Year	Credit Type	Project Name	City	No. of Units
2017	9%	Gateway Vista	Billings	24
		Roosevelt Villas (see add'L credits 2018)	Wolf Point/Culbertson	
2018	4%	Starner Gardens 4%	Billings	101
		Copper Ridge 4%	Butte	32
	9%	Freedoms Path (refreshed credits fr 2016)	Ft Harrison (Helena)	42
		Starner Gardens 9%	Billings	40
		Bluebunch Flats (see add'l credits 2019)	Livingston	37
		Meadows Senior	Lewistown	35
		Courtyard Apartments	Kalispell	32
		Copper Ridge 9% (includes orig + add'L credit)	Butte	32
		North Star (see orig credits 2016)	Wolf Point	28
		Cottonwood Creek (see add'l credits 2019)	Deer Lodge	21

Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Sum of No. of Units broken down by Measure Names vs. Year Allocated, Credit Type, Project Name and Project City. The data is filtered on Year Allocated and ACTIVE or INACTIVE. The Year Allocated filter ranges from 2016 to 2025. The ACTIVE or INACTIVE filter keeps Active.

No. of Units by Project Name - Last 10 Years

Credit Year	Credit Type	Project Name	City	No. of Units
2018	9%	Roosevelt Villas (see orig credits 2017)	Wolf Point/Culbertson	16
2019	4%	Red Alder 4%	Helena	48
	9%	Oakwood Village	Havre	60
		Chapel Court	Billings	54
		Alpenglow	Whitefish	38
		Red Alder 9%	Helena	37
		Bluebunch Flats (see original credits 2018)	Livingston	34
		Meadowlark Vista	Ronan	24
		Cottonwood Creek (see orig credits 2018)	Deer Lodge	
2020	4%	Silver Bow 4%	Butte	212
		Arrowleaf Park Apartments 4%	Bozeman	136
		Ponderosa Acres 4%	Billings	120

Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Sum of No. of Units broken down by Measure Names vs. Year Allocated, Credit Type, Project Name and Project City. The data is filtered on Year Allocated and ACTIVE or INACTIVE. The Year Allocated filter ranges from 2016 to 2025. The ACTIVE or INACTIVE filter keeps Active.

No. of Units by Project Name - Last 10 Years

Credit Year	Credit Type	Project Name	City	No. of Units
2020	4%	Perennial Park Apartments 4%	Bozeman	96
		Rosalie Manor 4%	Butte	65
		Emporda 4%- Resyd Courtyard I & II	Corvallis	36
		Elm Street 4%	Butte	35
		Leggat 4%	Butte	30
	9%	Fire Tower Apts	Helena	44
		Skyview	Missoula	36
		Homestead Lodge	Absarokee	32
		Timber Ridge Apts (9% of 4/9)	Bozeman	30
		Pioneer Meadows	Dillon	28
		Burnt Fork Place	Stevensville	16
2021	4%	Trinity 4%	Missoula	202

Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Sum of No. of Units broken down by Measure Names vs. Year Allocated, Credit Type, Project Name and Project City. The data is filtered on Year Allocated and ACTIVE or INACTIVE. The Year Allocated filter ranges from 2016 to 2025. The ACTIVE or INACTIVE filter keeps Active.

No. of Units by Project Name - Last 10 Years

Credit Year	Credit Type	Project Name	City	No. of Units
2021	4%	Villagio 4%	Missoula	200
		Darlinton Manor Apts 4%	Bozeman	100
		Castlebar 4%	Bozeman	72
		Sherwood Apts 4%	Livingston	49
		Boulevards Apts 4%	Bozeman	41
		Miles Building 4%	Livingston	40
		Bitterroot Valley Apts (old Mtn View (1 of 2, 4% of 4/9)**Resyd	Hamilton	36
		Bitterroot Valley Apts (old Bitt Comm2 of 2, 4% of 4/9)**Resyd	Darby	16
	9%	Apsaalooke HA Homes I	Crow Agency	43
		Jackson Court 9%	Billings	38
		Creekside Commons	Kalispell	31
		MRM Unified Campus	Billings	29

Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Sum of No. of Units broken down by Measure Names vs. Year Allocated, Credit Type, Project Name and Project City. The data is filtered on Year Allocated and ACTIVE or INACTIVE. The Year Allocated filter ranges from 2016 to 2025. The ACTIVE or INACTIVE filter keeps Active.

No. of Units by Project Name - Last 10 Years

Credit Year	Credit Type	Project Name	City	No. of Units
2021	9%	Laurel Depot	Laurel	19
		Crowley Flats(orig credits see add'l credits above)	Lewistown	16
2022	4%	Junegrass Place 4%	Kalispell	114
		Comstock Apts (resyn Comstock I, II, II)	Bozeman	86
		Spruce Grove-Laurel 4%	Laurel	50
		Spruce Grove_Joliet 4%	Joliet	12
	9%	Bicentennial Apts	Dillon	58
		Tapestry Apts	Billings	26
		Riverview Apts	Big Sky	25
		Baatz Perm Supp Apts	Great Falls	25
		Junegrass Place 9%	Kalispell	24
		Crowley Flats (add'l credits see orig below)	Lewistown	16

Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Sum of No. of Units broken down by Measure Names vs. Year Allocated, Credit Type, Project Name and Project City. The data is filtered on Year Allocated and ACTIVE or INACTIVE. The Year Allocated filter ranges from 2016 to 2025. The ACTIVE or INACTIVE filter keeps Active.

No. of Units by Project Name - Last 10 Years

Credit Year	Credit Type	Project Name	City	No. of Units
2023	4%	N 3rd Apts	Bozeman	216
		The Beaumont (formerly Lumberyard Apts)	Bozeman	155
		South Forty Apartments 4% (resynd orig 2007)	Billings	101
		Parkview Village - Vitus	Great Falls	84
		Sunshine	Great Falls	72
		Union Place 4% (orig 2006 and 2004 ph I & II)	Missoula	63
		Baxter Apartments	Bozeman	50
		Highland Manor 4% (orig 1993 resyn)	Havre	32
		Broadview Manor West	Great Falls	10
		Broadview Manor East	Great Falls	10
	9%	Creekside Apartments 9%	Missoula	41
		Meadowlark Senior	Butte	26

Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Sum of No. of Units broken down by Measure Names vs. Year Allocated, Credit Type, Project Name and Project City. The data is filtered on Year Allocated and ACTIVE or INACTIVE. The Year Allocated filter ranges from 2016 to 2025. The ACTIVE or INACTIVE filter keeps Active.

No. of Units by Project Name - Last 10 Years

Credit Year	Credit Type	Project Name	City	No. of Units
2023	9%	Carter Commons	Great Falls	25
		Cabinet Affordable Housing	Libby	24
		ANHA LIHTC #2	Crow Agency	23
2024	4%	Aurora	Billings MT	156
		The Manor	Hamilton	60
		Twin Creek Apts 4	Helena	52
		Bigfork Sr (orig 2006 Crestview Apts resyn)	Big Fork	24
	9%	Elmore Roberts (original 1987)	Great Falls	60
		Mitchell Court	Billings	32
		Riverstone Senior Res	Hamilton	23
		Midtown Aspen 9%	Bozeman	23
		Twin Creek Apts 9	Helena	20

Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Sum of No. of Units broken down by Measure Names vs. Year Allocated, Credit Type, Project Name and Project City. The data is filtered on Year Allocated and ACTIVE or INACTIVE. The Year Allocated filter ranges from 2016 to 2025. The ACTIVE or INACTIVE filter keeps Active.

No. of Units by Project Name - Last 10 Years

Credit Year	Credit Type	Project Name	City	No. of Units
2025	4%	Hidden Creek 4%	Bozeman	145
		Creekside Apartments 4%	Missoula	120
		LB Lofts 4%	Laurel	109
		Aspen Village 4%	Great Falls	60
		Montana 6 -Valley View	Kalispell	52
		Montana 6- Bridger Heights Apartments	Bozeman	50
		Centennial Village Apartments	Great Falls	48
		Franklin School	Great Falls	40
		Montana 6- El Dorita Village	Kalispell	36
		Montana 6- Columbia Villa	Columbia Falls	36
2024	4%	Montana 6- Green Meadow	Libby	34
		Montana 6- Pebblestone Square	Deer Lodge	24

Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Sum of No. of Units broken down by Measure Names vs. Year Allocated, Credit Type, Project Name and Project City. The data is filtered on Year Allocated and ACTIVE or INACTIVE. The Year Allocated filter ranges from 2016 to 2025. The ACTIVE or INACTIVE filter keeps Active.

No. of Units by Project Name - Last 10 Years

Credit Year	Credit Type	Project Name	City	No. of Units
2025	4%	Midtown Aspen (4%)	Bozeman	17
	9%	Skyview	Billings	26
		Polson Gardens	Polson	24
		Opportunity Place	Missoula	24
		LB Lofts 9%	Billings	22
		Hidden Creek 9%	Bozeman	21
		The Homestead	Dillon	20

Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet. Sum of No. of Units broken down by Measure Names vs. Year Allocated, Credit Type, Project Name and Project City. The data is filtered on Year Allocated and ACTIVE or INACTIVE. The Year Allocated filter ranges from 2016 to 2025. The ACTIVE or INACTIVE filter keeps Active.

Geographic Region	Geographic Location	Population 2010	Population 2020	Population 2024	Total 4% Bond Homes Created	% of 2020 State Population	% of Statewide 9% Homes
Statewide	Total	989,415	1,084,225	1,137,233	5,113	100.00%	100.00%
Beaverhead	Total	9,246	9,371	10,006	0	0.86%	1.88%
	Dillon	4,134	3,880	4,242	0	0.36%	1.88%
Big Horn	Total	12,865	13,124	12,796	0	1.21%	1.75%
	Crow Agency	1,616	1,657		0	0.15%	1.17%
	Hardin	3,505	3,818	3,719	0	0.35%	0.58%
Blaine	Total	6,491	7,044	6,903	0	0.65%	1.59%
	Chinook	1,203	1,185	1,162	0	0.11%	0.17%
	Fort Belknap	1,293	1,567		0	0.14%	1.26%
	Hays	843	996		0	0.09%	0.16%
Carbon	Total	10,078	10,473	11,498	12	0.97%	0.48%
	Joliet	595	577	620	12	0.05%	0.01%
	Red Lodge	2,125	2,257	2,686	0	0.21%	0.46%
Cascade	Total	81,327	84,414	84,523	673	7.79%	7.23%
	Great Falls	58,505	60,442	60,013	673	5.57%	7.23%
Chouteau	Total	5,813	5,895	5,880	0	0.54%	0.14%
	Fort Benton	1,464	1,449	1,422	0	0.13%	0.14%
Custer	Total	11,699	11,867	11,964	0	1.09%	0.77%
	Miles City	8,410	8,354	8,407	0	0.77%	0.77%
Daniels	Total	1,751	1,661	1,625	0	0.15%	0.16%
	Scobey	1,017	999	979	0	0.09%	0.16%

Population Source: Data compiled 9/12/2024 by the Research & Information Services Bureau (RIS), MT Dept of Commerce.

Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet.

Population 2010, Population 2020, Population 2023, Total 4% Bond Homes Created, Number of 9% HC Projects, Total 9% HC Homes Created, Percent of State 9% Units and % of 2020 State Population broken down by Geographic Region and Geographic Location. Filtered by Active and Comp Fulfilled. Credit Type filtered keeping 4% and 9%.

Geographic Region	Geographic Location	Population 2010	Population 2020	Population 2024	Total 4% Bond Homes Created	% of 2020 State Population	% of Statewide 9% Homes
Dawson	Total	8,966	8,940	8,731	0	0.82%	0.41%
	Glendive	4,935	4,873	4,760	0	0.45%	0.41%
Deer Lodge	Total	9,298	9,421	9,811	0	0.87%	0.14%
	Anaconda	9,298	9,421	9,811	0	0.87%	0.14%
Fergus	Total	11,586	11,446	11,862	0	1.06%	1.32%
	Lewistown	5,901	5,952	6,204	0	0.55%	1.32%
Flathead	Total	90,928	104,357	114,527	569	9.63%	10.35%
	Big Fork	4,270	5,118		24	0.47%	0.80%
	Columbia Falls	4,688	5,308	5,713	72	0.49%	0.81%
	Kalispell	19,927	24,558	31,296	473	2.27%	6.59%
	Whitefish	6,357	7,751	9,256	0	0.71%	2.14%
Gallatin	Total	89,513	118,960	126,984	1,360	10.97%	9.30%
	Belgrade	7,389	10,460	12,741	0	0.96%	1.56%
	Big Sky	2,308	3,591		0	0.33%	0.36%
	Bozeman	37,280	53,293	57,894	1,360	4.92%	7.14%
	Manhattan	1,520	2,086	2,068	0	0.19%	0.23%
Glacier	Total	13,399	13,778	13,503	0	1.27%	3.14%
	Browning	1,016	1,018		0	0.09%	2.16%
	Browning & Heart Butte				0		0.51%
	Cut Bank	2,869	3,056	2,988	0	0.28%	0.48%
Hill	Total	16,096	16,309	16,065	32	1.50%	3.26%

Population Source: Data compiled 9/12/2024 by the Research & Information Services Bureau (RIS), MT Dept of Commerce.

Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet.

Population 2010, Population 2020, Population 2023, Total 4% Bond Homes Created, Number of 9% HC Projects, Total 9% HC Homes Created, Percent of State 9% Units and % of 2020 State Population broken down by Geographic Region and Geographic Location. Filtered by Active and Comp Fulfilled. Credit Type filtered keeping 4% and 9%.

Geographic Region	Geographic Location	Population 2010	Population 2020	Population 2024	Total 4% Bond Homes Created	% of 2020 State Population	% of Statewide 9% Homes
Hill	Box Elder	87	85		0	0.01%	0.48%
	Havre	9,310	9,362	9,204	32	0.86%	2.78%
Lake	Total	28,746	31,134	33,403	0	2.87%	5.19%
	Arlee	636	720		0	0.07%	0.14%
	Elmo	180	244		0	0.02%	0.14%
	Pablo	2,254	2,138		0	0.20%	1.46%
	Polson	4,488	5,148	5,631	0	0.47%	2.33%
	Ronan	1,871	1,955	2,182	0	0.18%	0.97%
	St. Ignatius	842	768	830	0	0.07%	0.13%
Lewis and Clark	Total	63,395	70,973	75,129	100	6.55%	8.80%
	Fort Harrison (Helena)				0		0.61%
	Helena	28,190	32,091	34,729	100	2.96%	8.19%
Lincoln	Total	19,687	19,677	22,184	34	1.81%	0.84%
	Libby	2,628	2,775	3,235	34	0.26%	0.84%
Madison	Total	7,691	8,623	9,753	0	0.80%	0.70%
	Big Sky	2,308	3,591		0	0.33%	0.70%
Meagher	Total	1,891	1,927	2,065	0	0.18%	0.14%
	White Sulphur Springs	939	955	1,021	0	0.09%	0.14%
Mineral	Total	4,223	4,535	5,195	0	0.42%	0.46%
	St. Regis	319	313		0	0.03%	0.12%
	Superior	812	830	940	0	0.08%	0.35%

Population Source: Data compiled 9/12/2024 by the Research & Information Services Bureau (RIS), MT Dept of Commerce.

Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet.

Population 2010, Population 2020, Population 2023, Total 4% Bond Homes Created, Number of 9% HC Projects, Total 9% HC Homes Created, Percent of State 9% Units and % of 2020 State Population broken down by Geographic Region and Geographic Location. Filtered by Active and Comp Fulfilled. Credit Type filtered keeping 4% and 9%.

Geographic Region	Geographic Location	Population 2010	Population 2020	Population 2024	Total 4% Bond Homes Created	% of 2020 State Population	% of Statewide 9% Homes
Missoula	Total	109,299	117,922	122,546	689	10.88%	13.24%
	Lolo	3,892	4,399		0	0.41%	0.58%
	Missoula	66,788	73,489	78,204	689	6.78%	12.66%
Park	Total	15,636	17,191	18,074	89	1.59%	1.64%
	Livingston	7,044	8,040	9,021	89	0.74%	1.64%
Petroleum	Total	494	496	525	0	0.05%	0.09%
	Winnett	182	188	197	0	0.02%	0.09%
Phillips	Total	4,253	4,217	4,214	0	0.39%	0.46%
	Malta	1,997	1,860	1,853	0	0.17%	0.46%
Powell	Total	7,027	6,946	7,120	48	0.64%	0.65%
	Deer Lodge	3,111	2,938	3,006	48	0.27%	0.65%
Ravalli	Total	40,212	44,174	48,187	172	4.07%	3.41%
	Corvallis	976	1,125		36	0.10%	0.00%
	Darby	720	783	873	16	0.07%	0.00%
	Hamilton	4,348	4,659	5,383	120	0.43%	2.74%
	Stevensville	1,809	2,002	2,236	0	0.18%	0.67%
Richland	Total	9,746	11,491	11,028	0	1.06%	0.81%
	Sidney	5,191	6,346	6,031	0	0.59%	0.81%
Roosevelt	Total	10,425	10,794	10,197	0	1.00%	1.59%
	Poplar	810	758	722	0	0.07%	0.61%
	Poplar/Wolf Point				0		0.35%

Population Source: Data compiled 9/12/2024 by the Research & Information Services Bureau (RIS), MT Dept of Commerce.

Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet.

Population 2010, Population 2020, Population 2023, Total 4% Bond Homes Created, Number of 9% HC Projects, Total 9% HC Homes Created, Percent of State 9% Units and % of 2020 State Population broken down by Geographic Region and Geographic Location. Filtered by Active and Comp Fulfilled. Credit Type filtered keeping 4% and 9%.

Geographic Region	Geographic Location	Population 2010	Population 2020	Population 2024	Total 4% Bond Homes Created	% of 2020 State Population	% of Statewide 9% Homes
Roosevelt	Wolf Point	2,621	2,517	2,522	0	0.23%	0.41%
	Wolf Point/Culbertson				0		0.23%
Rosebud	Total	9,233	8,329	8,194	0	0.77%	1.03%
	Forsyth	1,777	1,647	1,643	0	0.15%	0.52%
	Lame Deer	2,052	1,897		0	0.17%	0.51%
Sanders	Total	11,413	12,400	13,895	0	1.14%	0.13%
	Plains	1,048	1,106	1,244	0	0.10%	0.13%
Sheridan	Total	3,384	3,539	3,448	0	0.33%	0.06%
	Medicine Lake	225	244	240	0	0.02%	0.06%
Silver Bow	Total	34,200	35,133	36,134	434	3.24%	2.68%
	Butte	33,525	34,494	35,480	434	3.18%	2.68%
Stillwater	Total	9,117	8,963	9,450	0	0.83%	0.93%
	Absarokee	1,150	1,000		0	0.09%	0.93%
Sweet Grass	Total	3,651	3,678	3,757	0	0.34%	0.35%
	Big Timber	1,641	1,650	1,681	0	0.15%	0.35%
Toole	Total	5,324	4,971	5,153	0	0.46%	0.35%
	Shelby	3,376	3,169	3,273	0	0.29%	0.35%
Treasure	Total	718	762	739	0	0.07%	0.17%
	Hysham	312	276	266	0	0.03%	0.17%
Valley	Total	7,369	7,578	7,434	0	0.70%	0.09%
	Glasgow	3,250	3,202	3,169	0	0.30%	0.09%

Population Source: Data compiled 9/12/2024 by the Research & Information Services Bureau (RIS), MT Dept of Commerce.

Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet.

Population 2010, Population 2020, Population 2023, Total 4% Bond Homes Created, Number of 9% HC Projects, Total 9% HC Homes Created, Percent of State 9% Units and % of 2020 State Population broken down by Geographic Region and Geographic Location. Filtered by Active and Comp Fulfilled. Credit Type filtered keeping 4% and 9%.

Geographic Region	Geographic Location	Population 2010	Population 2020	Population 2024	Total 4% Bond Homes Created	% of 2020 State Population	% of Statewide 9% Homes
Yellowstone	Total	147,972	164,731	171,583	901	15.19%	13.74%
	Billings	104,170	117,116	121,483	742	10.80%	12.88%
	Laurel	6,718	7,222	7,251	159	0.67%	0.85%
Jefferson	Total	11,406	12,085	13,304	0	1.11%	0.52%
	Boulder	1,183	1,201	1,305	0	0.11%	0.52%

Population Source: Data compiled 9/12/2024 by the Research & Information Services Bureau (RIS), MT Dept of Commerce.
Housing Credit Information Source: Montana Board of Housing TC-SUM spreadsheet.
Population 2010, Population 2020, Population 2023, Total 4% Bond Homes Created, Number of 9% HC Projects, Total 9% HC Homes Created, Percent of State 9% Units and % of 2020 State Population broken down by Geographic Region and Geographic Location. Filtered by Active and Comp Fulfilled. Credit Type filtered keeping 4% and 9%.

8/2/2025

Montana Board of Housing
PO Box 200528
Helena MT 59620-0528

RE: MHTC (Montana Housing Tax Credit) Full App Cover Letter

Dear Montana Board of Housing:

This letter and attachment meet(s) the requirements of the Qualified Allocation Plan as it relates to the submission of a "Letter of Intent". If invited, we are prepared to submit a full application in August 2025.

The project being submitted is as follows:

Name: **Golden Lion Manor**

City: **Troy, MT**

County: **Lincoln**

Developer: **American Covenant Senior Housing Foundation, Inc.**

General Partner: **American Covenant Senior Housing Foundation, Inc.**

Management Company: **Infinity Management & Investments, Inc.**

Property Type: **Acquisition/Rehab, Family (USDA 515) 24 Units R/A**

Non-Profit

Set-aside: **Small Rural**

The Golden Lion Manor project is located at 707 East Grant Avenue in Troy, Montana, a small city in Lincoln County. This initiative focuses on preserving and enhancing critically needed housing for seniors and families by acquiring and rehabilitating an existing property. The current facility comprises a single-story garden building with wood frame construction and a metal roof, encompassing 20 rental units. These units include 18 one-bedroom apartments and two two-bedroom apartments. The project is spearheaded by American Covenant Senior Housing Foundation, Inc., a non-profit organization with extensive experience in developing low-income housing projects. They act as both the developer and the general partner. The development plans target

households with incomes at or below 50 percent of the Area Median Income (AMI), ensuring affordability through Section 8 rental assistance, which caps tenant rents at 30 percent of their income. With its affordable housing model, the project aims to provide an attractive, efficient, and eco-friendly living environment. Anticipated green amenities include solar panels to reduce energy costs, energy-efficient windows and appliances, and the use of low VOC paints and high-grade insulation to improve efficiency and indoor air quality. Moreover, each unit will maintain their existing furnishings - such as a refrigerator and range/oven - after renovations, ensuring that tenants have access to essential features. Golden Lion Manor will feature community-oriented amenities, such as a meeting room, a picnic area, and a computer room, enhancing the quality of residential life. The property will also have 23 open parking spaces available. The city of Troy, located near the Kootenai National Forest, offers various recreational activities and essential services within reach, such as schools, a library, police department, and other local attractions. Construction is anticipated to begin in February 2026 and complete by December 2026. The project, through its strategic location and comprehensive market study, aims to serve the family population in the area efficiently. According to a market analysis by Samuel T. Gill, the area's growing demand for quality rental units aligns with the project's offerings. The market studies integrated a comprehensive data collection method, involving local resources like demographic surveys and insights from community stakeholders, to validate this demand. The gathered data indicates that the market area is experiencing increased occupancy rates and maintains waiting lists for existing properties, signifying a strong need for such housing developments. Overall, the Golden Lion Manor project is positioned to provide a sustainable and inclusive housing solution in Troy, Montana. By targeting a broad range of low-income families and senior citizens, it not only addresses the current housing shortages but also anticipates the future demographic shifts within the community.



View of Exterior



View of Exterior



View of Exterior

8/2/2025

Montana Board of Housing
PO Box 200528
Helena MT 59620-0528

RE: Narrative

Name: **Golden Lion Manor**

City: **Troy, MT**

County: **Lincoln**

Developer: **American Covenant Senior Housing Foundation, Inc.**

General Partner: **American Covenant Senior Housing Foundation, Inc.**

Management Company: **Infinity Management & Investments, Inc.**

Property Type: **Acquisition/Rehab, Family (USDA 515) 24 Units R/A**

Non-Profit

Set-aside: **Small Rural**

The Golden Lion Manor project is a proposed housing initiative aimed at providing affordable residential spaces in Troy, Montana, specifically targeting low-income families and seniors. The project involves the acquisition and rehabilitation of an existing 20-unit complex, composed primarily of one-bedroom apartments for families and seniors, and two-bedroom units. This initiative is spearheaded by the American Covenant Senior Housing Foundation, Inc., which specializes in such rehabilitation projects across the country, including recent projects in Montana. Golden Lion Manor's rehabilitation focuses on enhancing energy efficiency and sustainability by incorporating green features such as solar energy systems, low E glass, Energy Star appliances, and LED lighting. The project will also see the existing infrastructure upgraded to improve insulation, thereby reducing energy loss. The enhancements aim to not only improve living standards but also reduce utility costs for tenants. Strategically located at 707 East Grant Avenue, the complex is set within a picturesque location in Lincoln County, in proximity to vital community services, public schools, and leisure amenities such as parks and libraries. The city of Troy itself, though small with a population under 1000, offers a conducive environment for families, enriched by natural attractions like the Kootenai Falls and historical sites. The project's financial model heavily relies on various federal programs, including the Low Income Housing Tax Credit (LIHTC), which mandates that tenants should not pay more than 30 percent of their income on rent and utilities, with a set aside for small rural non-profit housing. All 20 units in Golden Lion Manor will continue to benefit from Section 8 Rental Assistance, ensuring affordability is maintained post-rehabilitation. From a market perspective, the demand for such affordable housing in the area is reinforced by the project's comprehensive market study, which illustrated a viable market demand. The study, conducted by the Gill Group Inc., confirmed the existing demand for affordable units, supported by demographic trends showing increased household formations and high occupancy rates in similar housing projects. With a

proposed start for construction in February 2026 and anticipated completion by December 2026, the rehabilitation is envisaged to maintain high occupancy rates, typical in restricted properties with waiting lists. The project will maintain low existing rent levels, which will be further regulated under LIHTC guidelines, ensuring they remain below market rates in the region. In summary, the Golden Lion Manor project is a strategically designed housing rehabilitation venture that addresses a critical need for affordable and sustainable family housing in Troy, Montana. With an emphasis on green energy use and comprehensive affordability through federal programs, the project not only aims at improving housing standards but also enhancing community living within a well-planned urban setting.

The community need for the Golden Lion Manor project in Troy, Montana, is driven by multiple factors. There is an increased demand for rental units, especially those of better quality, in the market area. The restricted properties, like Golden Lion Manor, generally maintain high occupancy rates and often have waiting lists, indicating unmet demand. Additionally, the market area shows a rise in both population and households, further underlining the necessity for housing solutions.

The redevelopment of Golden Lion Manor is crucial for preserving critically needed housing for seniors and families. This is particularly important to maintain its eligibility for HUD Section 8 rental assistance programs, which help ensure affordable housing remains available to low-income tenants. The project aims to maintain occupancy by targeting households earning 50% of the Area Median Income or below.

Moreover, the analyst report emphasizes that the project will meet current and projected market needs, capturing about 24.3% of the demand for rental units in the area. The golden lion project will help address the existing housing shortage in a community where affordable rental options are limited and much needed.



MARKET STUDY SUMMARY

Market Study Company:	Gill Group, Inc.
Project Name:	Golden Lion Manor
Project Market Area:	Lincoln County
Mini or Full Market Study:	Full

*(if a mini market study fill out fields below that pertain, leave others blank)

Is the project, as proposed, viable?

Average (comparable/achievable) market unit rents in immediate area and the percent the proposed project rents are below these rents.

	Market Rents	% Project Rents	
0 bedroom			
1 bedroom	\$ 1,135	27.8-56.7%	
2 bedroom	\$ 1,300	9.3-24.5%	
3 bedroom			
4 bedroom			
5 bedroom			

Reference page:

of all New Units Needed: Reference page:

of units needed for the targeted AMI of the project: Reference page:

Vacancy Rate: Reference page:

Months to Lease-up: Reference page:

Capture Rate: Reference page:
(projected income eligible tenants who will move in next year/proposed units)

Absorption Rate: Reference page:
(proposed units/existing LIH, market area units required)

Penetration Rate: Reference page:
(existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project: Reference page:

Distance (miles) to: (only fill this out at full market study)
 miles to grocery store (convenience store does not count)
 miles to medical services appropriate and available to all prospective tenants
 (e.g., hospital, doctor offices, etc.) and are one of the following:

☒ A Project is located within 1½ miles of the specified amenity or essential service.

☒ Public or contracted transportation (not including taxi or school bus service) is reasonably available to the specified amenity or service (i.e., the Project is located within ¼ mile of fixed bus stop or on a same day call basis) (or letter from provider committing to establish such service); or

☐ Where applicable, the specified amenity or service is available via a no-charge delivery service to the Project Location (all distances must be as specified in the



04/09/2025

Golden Lion, LLC

To whom it may concern,

I am writing to inform you that we have met with local agencies who have voiced their support for our acquisition/rehab project of Golden Lion Manor. Their support will play a pivotal role in ensuring success within the Troy community.

The following agencies have expressed their support to our project:

- Kootenai Senior Citizens Center – They provide meals, activities and support to local seniors including some of Golden Lion Manor's current tenants.
- Troy City Clerk

The community will have a general meeting at 10:00am on May 6th and will further discuss our project at that time. We are grateful for their involvement and are confident that, with their support, we can achieve our objectives and make a positive impact on the community in Troy.

Executive Director,



Gerald Fritts



Montana Housing
Montana Board of Housing
Montana Department of Commerce
PO Box 200528
Helena, MT 59620-0528

August 4, 2025

Dear Staff and Board Members,

We are excited to present to you our 9% Towers application for consideration of an allocation of 2026 Housing Tax Credits. Proposed as a twinned 9%/4% tax credit and tax-exempt bond rehab project for the 145 apartments, we and the over 150 senior residents of Sage and Fraser Towers are grateful for this opportunity.

Towers 9% is 9% LIHTC component of a proposed “twinned” 4%/9% project to address critical capital needs on both Fraser and Sage Towers. Fraser Tower is a six-story building that includes 64 homes that houses seniors. Sage Tower is a ten-story building that includes 81 homes that also houses seniors. Both projects are located in Billings, Montana and were built with similar construction, brick masonry high rises. Sage was built in 1974, and not long after, Fraser was completed in 1979. Both buildings were rehabilitated with housing tax credits, Fraser in 2006 and Sage in 2009. While key interior market updates were completed at that time, there were larger, critical capital needs that were not addressed. **At the time of acquisition, Homeword knew both Fraser and Sage Towers would need significant rehabilitation within 5-7 years.**

In 2019, working closely with the City of Billings, Glacier Bank (GB) and NeighborWorks Montana (NWMT), Homeword pursued the preservation of these critical senior homes in Billings, Montana. While their affordable deed restrictions weren't set to expire as quickly as Creekside's (Homeword's 2017 preservation acquisition that is currently undergoing rehabilitation in Missoula, MT) was, there was still the potential for market buyers that could have intended to wait out the deed restrictions and take the properties to market, which would have been a significant loss for Billings seniors with lower incomes. The risk to these homes was high and would have included the loss of valuable partial project-based voucher contracts. **As a successful team, we worked to acquire Fraser and Sage Towers using the same creative financial structures created when Homeword acquired Creekside in 2017.** To acquire the properties, Homeword worked with some of our partners from Creekside and the City of Billings to successfully utilize a 501c3 conduit bond and EQ2 loans to preserve Fraser Tower. Sage Tower was preserved with similar EQ2 loans combined with preserving a favorable HUD insured mortgage. Lessons previously learned with Creekside and its partners smoothed the way for Homeword to acquire and preserve both of these projects. After acquiring



the properties, Homeword also secured project-based vouchers for the homes that were not previously included in the rental assistance contract.

The Capital Needs Assessment (CNA) done in 2017 illustrated most of the overall building systems were nearing the end of their useful lives. This has certainly proven true and illustrated within this application in the rehabilitation scope proposed – all new roofing, windows, mechanical, plumbing and more. Another byproduct of the last few years lies in the reality that construction pricing, both labor and materials, have increased by percentages not seen in our lifetimes. While the markets are still volatile, there does seem to be some settling – nowhere near where we were, but in the realm of limited predictability. The proposed twinned credit approach gives Fraser and Sage Towers the best opportunity to succeed in getting ahead of major capital improvements that cannot be handled simply by operations.

This project represents a confluence of unique circumstances that allow us to rehabilitate Fraser and Sage Towers for long-term, sustainable operations as a critical component of Billings and Montana's housing portfolio. Homeword will recycle the 501c3 conduit bond into a new tax-exempt bond on the 4% side of the project, reducing the interest rates to lower than current interest rates. We will recycle the existing EQ2 debt and restructure these resources for favorable amortizing debt we cannot get in today's market. Homeword will utilize the values established in the Comparative Market Assessment to leverage acquisition credits to greatly assist with rehabilitation expenses. All concepts used in the current Creekside rehabilitation are laced throughout this application and make the Towers Rehabilitation project feasible. The key **time sensitive component** for Towers is the fact that both buildings are within current Qualified Census Tracts (QCT), this may not be true moving forward as those QCTs can change each year. Why this is critical is that a QCT gives a basis boost for the 4% side of the project and increases how many credits are produced by the rehabilitation costs, resulting in increased equity. This boost is essential for the overall feasibility of the Towers project.

We hope that the Montana Board of Housing members will see the timing benefits of this request and the complexity involved with the proposed financial restructuring to extend affordability restrictions for Montanans. We appreciate your consideration.

Sincerely,

Karissa Trujillo, Executive Director

Heather McMilin, Project Development
Director

Fraser Tower Photos



Sage Tower Photos





The Towers Apartments Housing Tax Credit Development Evaluation Criteria Narrative

FACTORS CONSIDERED BY THE BOARD

In addition to Development Evaluation Criteria in this section, the MBOH Board may consider the following factors in selecting Applications:

- geographical distribution;
- rural or urban location;
- overall income levels targeted by the Projects (including deeper targeting of income levels);
- need for affordable housing in the community, including but not limited to current Vacancy Rates;
- rehabilitation of existing low-income housing stock;
- sustainable energy savings initiatives;
- financial and operational ability of the Applicant to fund, complete and maintain the Project through the Extended Use Period;
- past performance of an Applicant in initiating and completing Tax Credit Projects;
- cost of construction, land and utilities, including but not limited to costs/Credits per square foot/unit;
- the Project is being developed in or near a historic downtown neighborhood;
- frequency of Awards in the respective areas where Projects are located;
- preserving project rental assistance or have or are planning to add Section 811 units to an existing project; and/or
- augmentation and/or sources of funds.

1. Lower Income Tenants

Income and Rent Level Targeting.

The Towers Apartments will target households earning 50% and 60% of the Area Median Income and choose the 40/60 election. The Declaration of Restrictive Covenants will document the commitment below:

Weighted Average Income Target: 52%

Project Based Rental Assistance

Because both Sage and Fraser have rental assistance contracts, most of the households are actually at 50% AMI and below.

2. Project Characteristics

Amenities

Fraser Tower has a community room, on-site manager's offices, on-site parking, and an on-site communal laundry room. All existing amenities will be maintained.

Small Town/Tribal Designated Area

Not applicable.

Affordable Housing Stock

Awarding the project tax credits will ensure the preservation of The Towers Apartments as homes people can afford to rent for an additional 50 years. Preserving existing affordable housing is part of the City of Billings's Strategic Plan and in the Growth Policy.

The Towers Apartments are in an area where many amenities and/or essential services are available to residents. Fraser Tower has a public transportation stop for the Billings's public bus service is right in front of the building.

Historic Preservation

Not applicable.

3. Local Involvement

Community Input

Fraser Tower held a hybrid neighborhood meeting on August 1, 2025 to inform the residents and neighbors about the proposed project. A sign-in sheet and agenda are included in the application.

Qualified Census Tract/Local Community Revitalization Plan

Billings doesn't have a specific revitalization plan, but Towers 9% will preserve 44 homes that people can afford to rent and is located in a qualified census tract.

Communication/Relationships

Homeward, the Developers/Owners, cooperate and coordinate throughout the year with multiple agencies and organizations that provide housing and related services to our residents in Billings.

4. Design Requirements

All requirements in Appendix B of the QAP that apply to rehabilitation projects will be met.

5. Tenant Populations with Special Housing Needs

The Towers Apartments will target the following special needs residents:

- Elderly – 62 or older
- People with Disabilities

MARKET STUDY SUMMARY

Market Study Company:	Kinetic Valuation Group
Project Name:	Fraser Tower and Sage Tower
Project Market Area:	715 S 28th Street and 115 N 24th Street, Billings MT, 59101

Is the project, as proposed, viable?

Average (comparable/achievable) market unit rents in immediate area and the percent the proposed project rents are below these rents.

	Market Rents	% Project Rents Below	
0 bedroom	\$ 881	-19.0%	
1 bedroom	\$ 1,114	-15.4%	
2 bedroom	\$ 1,343	-10.4%	
3 bedroom			
4 bedroom			
5 bedroom			
			Reference page: 79

of all New Units Needed: Reference page:

of units needed for the targeted AMI of the project: Reference page:

Vacancy Rate: Reference page:

Months to Lease-up: Reference page:

Capture Rate: Reference page:
(projected income eligible tenants who will move in next year/proposed units)

Absorption Rate: Reference page:
(proposed units/existing LIH, market area units required)

Penetration Rate: Reference page:
(existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project: Reference page:

Distance (miles) to: (only fill this out at full market study)

0.37	miles to grocery store (convenience store does not count)
0.61	miles to medical services appropriate and available to all prospective tenants (e.g., hospital, doctor offices, etc.) and are one of the following:

☒ A Project is located within 1½ miles of the specified amenity or essential service.

☒ Public or contracted transportation (not including taxi or school bus service) is reasonably available to the specified amenity or service (i.e., the Project is located within ¼ mile of fixed bus stop or on a same day call basis) (or letter from provider committing to establish such service); or

☒ Where applicable, the specified amenity or service is available via a no-charge delivery service to the Project Location (all distances must be as specified in the Project's market study).

All other services and distance to each.

	Other Service	Distance (mi)
1	Sage Tower	
2	2nd Avenue North and North 24th Street	0.01
3	Billings Community & Senior Center	0.14
4	USPS	0.18
5	Wells Fargo	0.2
6	First Congregational United Church of Christ	0.27
7	Conoco	0.29
8	Downtown Family Pharmacy	0.31
9	North Park	0.35
10	Albertsons	0.37
11	Billings Public Library	0.44
13	Billings Clinic Hospital	0.61
14	Target	4.02
15		
16	Fraser Tower	
17	South 28th Street and 8th Avenue South	0.01
18	South Park	0.01
19	South Side Senior Citizens Center	0.16
20	USPS	0.17
21	Montana Family Church	0.18
22	Conoco	0.32
23	RiverStone Health Pharmacy	0.45
24	Western Security Bank	0.69
25	Billings Public Library	1.03
26	Albertsons	1.07
27	Billings Clinic Hospital	1.27
28	Target	4.08
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July 28, 2025

PO Box 1178
Billings, MT 59103
P 406.657.8433
F 406.657.8433
TTY 711

Montana Board of Housing
301 S. Park Avenue
P.O. Box 200528
Helena, MT 59620-0528

**SUBJECT: LETTER OF SUPPORT FOR HOMEWORD'S APPLICATION FOR
LOW INCOME HOUSING TAX CREDITS AND GRANT FUNDING FOR THE
REHABILITATION OF FRASER TOWER AND SAGE TOWER, BILLINGS**

To Whom it May Concern:

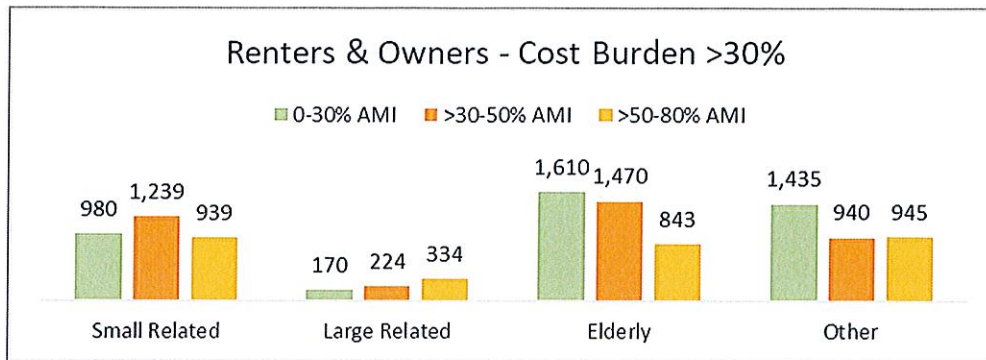
It is my sincere pleasure to offer this letter of support for the Low Income Housing Tax Credits (LIHTC) and federal and state grant funding applications submitted by Homeword for the rehabilitation of Fraser Tower and Sage Tower in Billings. As I understand it, the proposed project will rehabilitate the two existing brick masonry high-rise residential buildings built in the 1970s. The City of Billings strongly supports these projects.

Sage Tower: Was built in 1974 and is a ten-story building that includes 81 homes for senior citizens.

Fraser Tower: Was built in 1979 and is a six-story building that includes 64 homes for senior citizens.

The City of Billings - Community Development Division has maintained an exceptional partnership with Homeword for many years. Our experience in carrying out affordable housing development projects with Homeword has been exceptional.

Per the City of Billings' 5-year Consolidate Plan for FY 2025-2029 (<https://www.billingsmt.gov/DocumentCenter/View/53863/Con-Plan-as-of-71425>), Billings is currently experiencing a lack of affordable housing for rent. And, the elderly is the largest cohort paying 30% and 50% of their household income for housing:



Almost 7,000 renter households spend more than 30% of their income on housing, and of that number roughly 3,800 are paying over 50% of their income for housing costs.

The City of Billings' drafted Consolidate Plan also identifies that households with at least one person 62 or older make up 34% of total Billings households:

	0-30% HAMFI	>30- 50% HAMFI	>50- 80% HAMFI	>80- 100% HAMFI	>100% HAMFI	Total	% of Total Households
Total Households*	5,145	6,055	8,345	5,495	22,445	47,485	
Small Family Households* (two to four members)	1,095	1,725	2,120	2,000	10,365	17,305	36%
Large Family Households* (five or more members)	165	279	620	394	1,775	3,233	7%
Household contains at least one person 62-74 years of age	1,164	1,170	1,679	1,120	4,975	10,108	21%
Household contains at least one person age 75 or older	970	1,505	1,189	634	1,805	6,103	13%
Households with one or more children 6 years old or younger*	539	840	1,435	854	2,270	5,938	13%
% of Total Households	11%	13%	18%	12%	47%		
		41%		59%			

**The highest income category for these family types is >80% HUD Area Median Family Income (HAMFI)*

Homeward's proposed rehabilitation and preservation of Fraser Tower and Sage Tower in Billings is in alignment with the City's Consolidated Plan Goals:

Create, preserve, and expand decent, affordable housing options for low-income residents citywide: Enhance and broaden housing access, availability, physical quality, economic value, and longevity across the city for Billings' low-income residents including seniors, individuals with disabilities, minority groups, and other special populations.

Neighborhood Revitalization: Foster suitable living environment and quality of life through the improvement of physical conditions in lower-income neighborhoods.

The need for affordable housing in Billings is in high demand. As the housing market declines, the rental market has become more competitive over the past few years. This has resulted in increased monthly rental rates, limiting local availability of affordable housing. The combined 145 housing units proposed to be rehabilitated by Homeword will be an important step in meeting the affordable housing needs of Billings' growing senior population.

If you have questions or require additional information, please do not hesitate to contact me via phone at (406) 294-5700 or email coleb@billingsmt.gov.

Sincerely,

CITY OF BILLINGS



William A. Cole
Mayor

WAC:TLR



Thomas
DEVELOPMENT CO.
THE LEADER IN SUSTAINABLE REAL ESTATE DEVELOPMENT

420 W. Main Street, Suite 300
Boise, Idaho 83702
(208) 343-8877
E-Mail:

tmannschreck@thomasdevelopment.com

July 30, 2025

Via Email: jason.hanson@mt.gov

Mr. Jason Hanson
Multifamily Program Manager
Montana Board of Housing
301 South Park Avenue
Helena, Montana 59620

Re: Short Development Description/Cover Letter – Granite Peak Senior Apartment Community

Dear Mr. Hanson:

We are gratified that the Board asked us to submit this 9% Application. To compress our experience developing and owning affordable housing in Butte since the late 1990s, and our desire to continue to expand that campus community in response to the prodigious need for additional senior affordable housing in Butte is very difficult to compress into two pages.

Nonetheless, here goes:

The location is outstanding. Witness the essentially 100% occupancy we have enjoyed at Aspen Place, Meadowlands, and Copper Ridge; also Meadowlands 2, the 24-unit senior market rate apartment community.

The Broker's Opinion of Value, further in this application, provides, "The subject site is adjacent to one of Butte's nicest residential neighborhoods." We could not agree with that statement more. We think it is also important to point out here that we have had neighborhood meetings, design charrettes, etc., many times over the years for both MBOH applications and various matters brought before the Butte-Silver Bow Commission. Some meetings attended by a few neighbors, some by a lot. Tom has attended every one of those meetings over the years and does not recall negative comments about multifamily, particularly affordable multifamily, traffic and school impact, etc., which we frequently hear in our neighborhood outreach on these types of developments in other states.

In other words, our first outreach to the neighbors when we constructed Atherton (now Aspen Place) has not resulted in any known negative comments or feedback from residents or neighbors.

These results, while gratifying, are entirely consistent with our ownership and management philosophy of being good neighbors and knowing that we are building and operating these properties for the long term.

The architecture for Granite Peak will be similar but contain enough exterior differences to fully differentiate from either the Meadowlands or Meadowlands 2 buildings, the interior floor plates of which are substantially similar to Granite Peak. That said, the list of amenities and refinements were outlined in our April 14, 2025 letter to you and support our Letter of Intent. These include full-size washers and dryers provided by us in each unit, walk-in closets, walk-in outside storage, patios and decks, dishwashers, microwaves, etc., are all refinements from Meadowlands and Meadowlands 2.

Construction of this development has received support from Action Inc., a support service provider which offers case management training and other critical services for individuals and families in need.

Construction of Granite Peak is whole-heartedly supported by Butte-Silver Bow County, Office of the Chief Executive, and other Butte-Silver Bow organizations as evidenced by the support letters we have included elsewhere in this Application.

We applaud MBOH for requiring the development team to certify cold-weather building experience, which we can comfortably do. That, of course, translates into designing a senior community for cold-weather Butte, Montana environment.

To that end, we provide community gathering space on the ground floor, purposely designed to look like a large living room, great room, and kitchen. This fosters a sense of community and collegiality amongst the

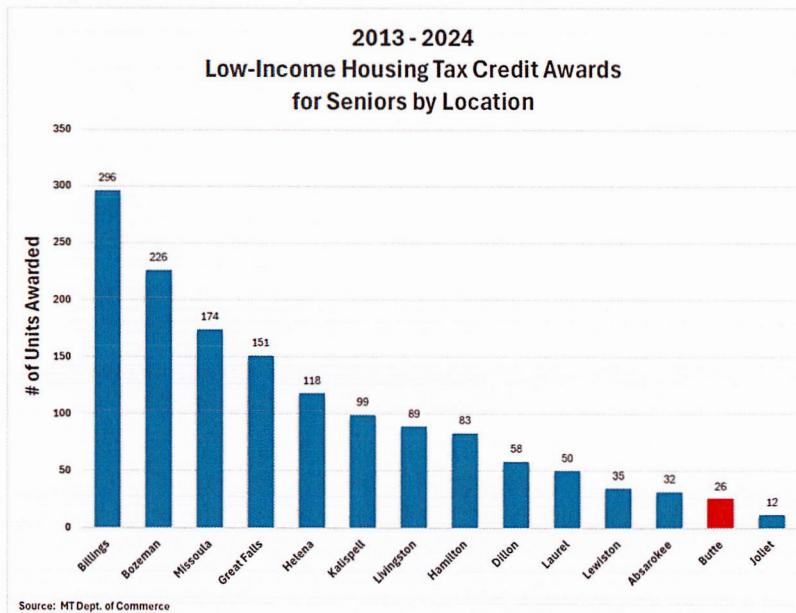
residents. Access to all apartment homes is through interior hallways. Examples of our resident activity programs at Meadowlands' apartments are attached.

Additional community spaces include an exercise facility with age-appropriate equipment, library, and craft room. The library is both a space for intellectual stimulation but also presents an opportunity to create community and camaraderie amongst our residents. How is that? We will stock the library with a range of books, magazines, and books on tape. Our on-site resident manager will encourage residents to bring in books, books on tape, etc., which they have already used to make available for their neighbors. Inevitably, this results in the library shelf being overstocked. This overstock creates another opportunity for community engagement, as the books can become part of the annual neighborhood yard sale that we strongly encourage our resident communities to conduct. Proceeds are owned by the residents for the collective community benefit.

For senior affordable housing in Butte's the most compelling reason for staff and the Board to approve this Application is both need and the disparity in 9% tax credit awards in Montana.

The need for senior housing in Butte has been rising every year between 2010 and 2024. Butte gained an average of 120 senior households per year. This market rate is projected to gain 61 senior households annually through 2029. Butte currently has two age-restricted LIHTC properties with 113 units. One is Meadowlands, which has vacancies only for a short period of time. When we have vacancies, it is either because a resident needs increased care or passes away.

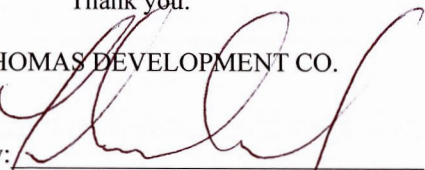
The substantial difference in Low Income Housing Tax Credit awards between 2013 and 2024 for seniors is best illustrated with enclosed bar graph. The results are very telling. Butte-Silver Bow has received significantly less LIHTC resources than all other cities and towns identified. Whether this is a function of applications submitted or not awarded or simply a lack of applications, MBOH staff and the Board have an opportunity to achieve both the Section 42 and MBOH stated objective of equitably and fairly distributing resources throughout the state by rewarding Granite Peak a 9% allocation.



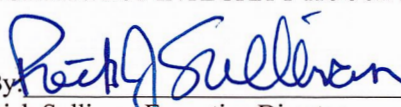
The politics in Butte-Silver Bow government is conservative and attaining significant financial resources, donations of land, etc., is more difficult than is the case in some of the smaller Montana cities. Nonetheless, BSB is strongly supportive of this Application, and will not oppose (based on historical success with Copper Ridge, Aspen Place and Meadowlands) our Application for property tax exemption. We are fully resourced with the sources of funds outlined in the Application.

Thank you.

THOMAS DEVELOPMENT CO.

By: 
Thomas C. Mannschreck, President

NORTHWEST INTEGRITY HOUSING CO.

By: 
Rick Sullivan, Executive Director



August 4, 2025

Mr. Jason Hanson
Multifamily Program Manager
Montana Board of Housing
301 South Park Avenue
Helena, Montana 59620

Re: Granite Peak Senior Apartment Community, Butte, Montana, Development Evaluation Criteria

Dear Jason:

The purpose of this narrative is to address the development evaluation criteria contained at Pages 30 through 34 of the 2026 Qualified Allocation Plan and to demonstrate how our application meets each of these criteria.

We also provide additional information to assist your evaluation.

Why this application should fund:

- Fully responsive to Qualified Allocation Plan.
- Amenity rich, homelike community and climate-controlled apartment access.
- Developer demonstrated long-term commitment to Butte Silver Bow.
- No vacancy in existing 48-unit senior affordable (Meadowlands) and 24-unit senior market rate (Meadowlands 2).
- Silver Bow has not received an equitable share of the 9 percent housing tax credit.
- Strong local support.
- No NIMBY issues.
- Developer's six-figure financial contribution to the development.

1. Lower Income Residents – p.30 QAP

- a. Income and rent level targeting. We have elected the 40-60 set aside.

The following chart illustrates the unit rent mix.

Type	AMI Rent Level	Number of Units	Avg. Unit Sq. Ft.	Gross Rent	Utility Allowance	Net Rent
1BR/1BA	30% HTF	3	601	491	132	359
1BR/1BA	50% HOME	4	601	819	132	687
1BR/1BA	60%	7	601	983	132	851
1BR/1BA	Market	2	601	1,310	0	1,310
2BR/2BA	30% HTF	4	890	589	176	413
2BR/2BA	50% HOME	4	890	982	176	806
2BR/2BA	60%	7	890	1,179	176	1,003
2BR/2BA	Employee 60%	1	890	1,179	176	1,003
2BR/2BA	Market	4	890	1,600	0	1,600

At 50.33%, we comfortably fit within the 53% or below requirement.

2. Development Characteristics - p.31-32 QAP

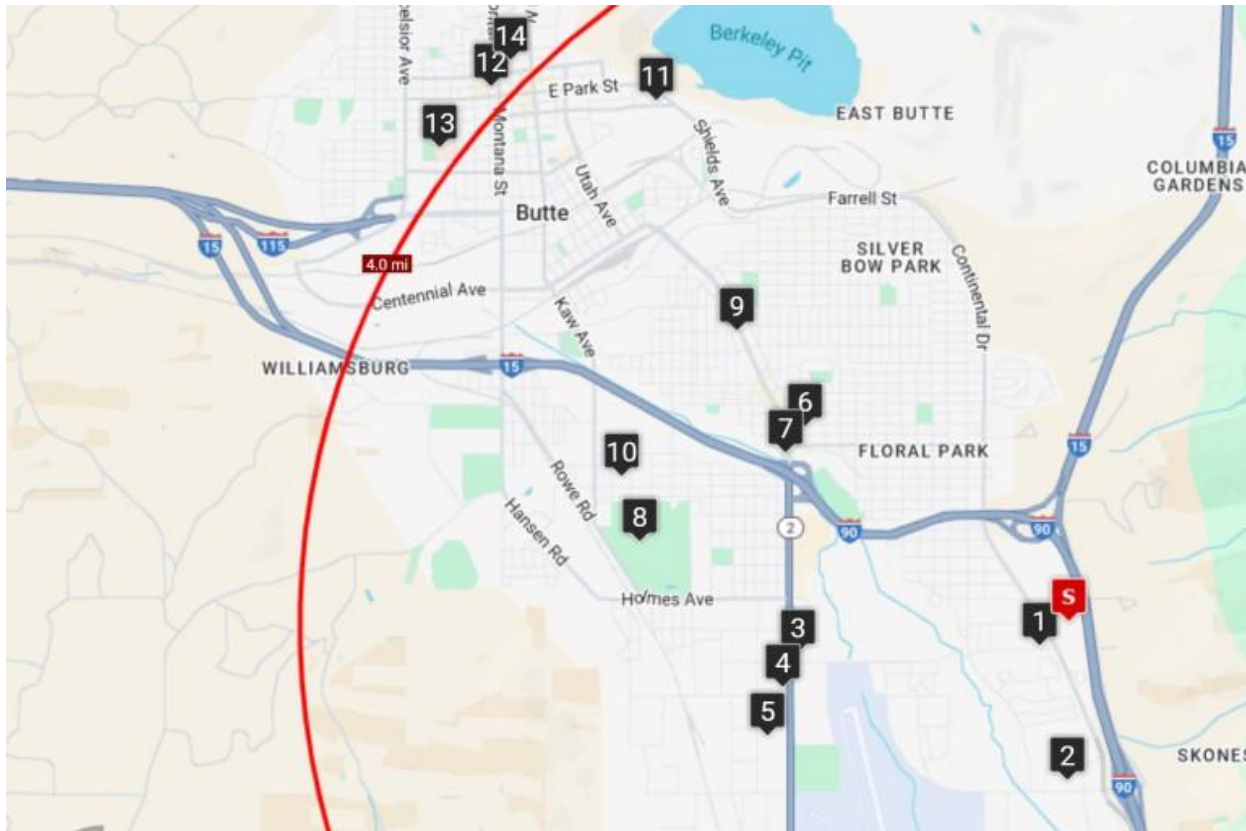
Based on the information contained in the Market Study July 2, 2025, Granite Peak Senior Apartments meets each of the Amenities requirements as illustrated in the charts which follow:

- a. Amenity-Granite Peak is 0.7 miles from Three Bears Grocery Store and 1.7 miles from Walmart. Between 0.67 miles and 5.78 miles from medical, pharmacy and hospital services.
- b. Free public transportation is provided by the bus - Butte Silver Bow Transit, and the bus stop is 0.2 miles away. Bus service runs 6:45 am to 6:15 pm, Monday through Friday and 8:45 am to 6:15 pm on Saturdays.

The following chart comes from the market study and shows the proximity to services.

Distances to Essential Services – Market Study Page 5 All

The following map and table illustrate the Subject's proximity to necessary services. Map numbers correspond with the *Locational Amenities Map*, presented below.



Source: Google Earth, June 2025

LOCATIONAL AMENITIES

#	Service or Amenity	Distance to Subject	#	Service or Amenity	Distance to Subject
1	Bus Stop (Blue/Red)	0.2 miles	8	Stodden Park	2.3 miles
2	Conoco Gas Station	0.8 miles	9	Fire Station	2.3 miles
3	Wells Fargo Bank	1.4 miles	10	United States Postal Service	2.4 miles
4	Dollar Tree	1.5 miles	11	Belmont Senior Citizen Center	3.4 miles
5	Walmart Supercenter	1.7 miles	12	Butte-Silver Bow Public Library	4.1 miles
6	Safeway Supermarket	1.7 miles	13	St. James Hospital	4.1 miles
7	Walgreens Pharmacy	1.7 miles	14	Butte Sheriff's Department	4.1 miles

The mini market study prepared by Prior and Associates as part of the LOI process is consistent with our statements above and validates the proximity to necessary and desired amenities.

GRANITE PEAK - PROXIMITY TO SERVICES

Amenity Type	Amenity Name	Address	Proximity to Canper Ridge	Public or Contracted Transportation	
Public Transportation – Bus	The Bus – Butte-Silver Bow Transit	Mon - Fri: Blue Route Stop #9 - "Meadowlands / Atherton" Sat: Saturday Route Stop #14 - "Meadowlands / Atherton"	.1		
Full Service Grocery Store	Three Bears	45 Three Bears Dr, Butte, MT 59701	.67 Miles	Blue Bus Stop #8 Sat Bus Stop #13	
Public Schools	Hillcrest Elementary School	3000 Continental Dr, Butte, MT 59701	1.19 Miles	School contracted & Bus: Red Stop #31 Sat Stop #11	
	East Middle School	Grand Ave Butte MT 59701	2.7 Miles	School contracted & Bus: Sat Stop #4	
	High School	401 S. Wyoming St., Butte, MT 59701	6.9 Miles	School contracted & Bus: Purple Stop #20 Sat Stop #52	
Senior Center	Belmont Senior Center	615 E Mercury St Butte, MT 59701	4.4 Miles	Blue Bus Stop #21 Sat Bus Stop #51	
Bank	Wells Fargo	3650 Harrison Ave, Butte, MT 59701	1.6 Miles	Orange Bus Stop #10 Sat Bus Stop #16	
Laundromat	N/A	N/A	N/A	N/A	
Medical Services	St. James Hospital	400 S Clark St, Butte, MT 59701	5.78 Miles	Blue Bus Stop #28 Sat Bus Stop #37	
Medical Services	Life Management Associates, LLC – Jeffrey A. Watson	2510 Continental Dr, Butte, MT 59701	1.46 Miles	Blue Bus Stop #5 Sat Bus Stop #7	
Pharmacy	Three Bears	45 Three Bears Dr, Butte, MT 59701	.67 Miles	Blue Bus Stop #8 Sat Bus Stop #13	
Gas Station	Exxon/Town Pump	2305 Continental Dr, Butte, MT 59701	1.56 Miles	Blue Bus Stop #4 Sat Bus Stop #6	
Postal Office	Post Office	701 Dewey Blvd, Butte, MT 59701	3.41 Miles	Red Stop #17	
Public Park	Skyline Park	Continental Drive & Bayard, Butte, MT 59701	1.4 Miles	Blue Bus Stop #6 Sat Bus Stop #8	
Shopping	Butte Plaza Mall	3100 Harrison Ave, Butte, MT 59701	2.29 Miles	Blue Bus Stop #13, #14 Sat Bus Stop #22 #23	
Public Library	Butte Silver Bow Public Library	226 W Broadway St, Butte, MT 59701	5.34 Miles	Purple Bus Stop #7 Sat Bus Stop #49	
TOTAL					

* The address used to calculate the distance is 4500 Continental Dr., Butte, MT 59701

Max Distance= 1.5 miles or within public transportation route

3. Local Involvement – p.32 QAP

The Granite Peak application checks two of the three boxes, Community Input and Community Relationships, when only one is required.

a) Community input. Materials contained in this application support the Granite Peak development:

- A neighborhood meeting was held expressly for the purpose of this application. The development team presented large drawings of the site plan, proposed building elevations, exterior colors, and floor plans. We advised the building would have a similar appearance to Meadowlands, that comment was well received.
- Solicited input from the local community. Many of the attendees were current residents of the neighboring Aspen Place, Meadowlands, and Copper Ridge Apartment complexes. One inquired whether they could transfer to Granite Peak. They were informed a determination would be made as to the household's qualifications according to the LIHTC regulations.
- The sign-in sheet and minutes taken at the meeting are included in threshold 37E. Comments from the audience are incorporated into the minutes. No written or email comments were received before or after the meeting.

- The neighborhood meeting included a design charrette.
 - The Developers have advised Butte-Silver Bow (BSB) of this application, and our intention to seek property tax exemption, and subsequently added the item below to the Builders Patch:
 - o The proof of Publication Notice in the Montana Standard is in all threshold 24.
- b) Communication/Relationships. As one of the developers has owned affordable housing in this part of Butte for 25 plus years, we have developed many excellent local relationships.
- Action, Inc., which provides services to Meadowlands, our 48-unit senior affordable community constructed in 2011, will provide social and supportive services for seniors residing at Granite Peak. Please see the written agreement dated June 23, 2025, located in all threshold 37G Agreement for Support Services.
 - Public Housing Authority of Butte, Montana will provide referrals of prospective tenants from their waitlist of 313 applicants
 - Butte Local Development Corp.
 - Butte-Silver Bow Office of the Chief Executive

4. Design Requirements – p.33 QAP

Baseline Development Requirements.

Granite Peak will meet or exceed each of the adopted State of Montana Building Code and Energy code Requirements.

Development Accessibility Requirements.

Granite Peak will meet or exceed all of the accessible, Type A and Type B unit construction requirements. The development architect, erstad ARCHITECTS, has been the architect of record for many of our team's developments for the last 15 years. They are well-versed with all aspects of Federal Fair Housing, the Americans with Disabilities Act, and the ANSI Part 119, accessibility standards.

As an additional safeguard, erstad ARCHITECTS retains architectural disability consultant, Endelman and Associates PLLC, Seattle, Washington which:

- a) Reviews the plans prior to final.
- b) Conducts two onsite visits during the course of construction to point out any construction which may not be in full compliance with Federal Fair Housing Americans with Disabilities Act and ANSI Part 119.

Development Adaptability Requirements.

Each of Granite Peak's 36 units will be fully adaptable, including (but not limited to) all necessary blocking, 36" wide doors, and lever handles.

Development Visitable Requirements.

Yes, subject to the LIHTC HOME and HTF requirements. Granite Peak will not have step entries at building entrances, patios/decks, or unit entries.

Development Liveability Requirements.

Windows –

All bedrooms will be constructed with egress windows.

Energy Savings Measures – Durability/Long Term Livability Attributes –

The MBOH sustainability requirements exceed current building and energy codes. We think that is great!

Some of these features which will be included in Granite Peak are listed below:

- Energy Star appliances
- Energy Star with Indoor Air Package, which includes stricter requirements for moisture control, radon control, pest control, HVAC systems, combustion systems, and building materials
- LED Exterior lighting
- Very high/high efficiency fixtures and fittings
- Programmable thermostats
- Recycled insulation & sheetrock
- Engineering lumber
- Use of Montana products
- Fly ash concrete greater than 30%
- No VOC paints and primers
- No VOC adhesives and sealants
- Formaldehyde free/full sealed countertop and cabinets
- On-site recycling construction materials
- Range/bathroom fans that vent to the outside
- Smoke free policy included in all leases which includes all units, building, and their respective indoor common areas using a 25-foot setback from windows and doors
- Partnership with Butte-Silver Bow Health Department to provide cessation services
- Floor coverings – Carpet 26 oz. minimum / Hard Surface – 12 mil minimum
- Energy Star qualified CFLs or LED's in all interior lighting
- Carbon Monoxide Detectors in all units
- Composite wood with no added urea-formaldehyde
- Drought-tolerant landscaping
- Rain adjustable sprinkler system/irrigation system
- U-Value of ≤ 0.30 windows
- Toilets – 1.6 GPF minimum
- Water flow saving plumbing fixtures
- Insulation levels modeled to 2012 IECC levels and Grade I installation per RESNET standards
- Walk-off mats are installed in the building, reducing indoor air contaminants considerably

Smoke Free Living –

Granite Peak will establish and implement a written policy that prohibits smoking in the units and the indoor common areas of the project, including a non-smoking clause in the lease for every unit.

Passive Radon System –

A Passive Radon System will be constructed, which will be documented by an accredited professional Radon Mitigation Specialist.

Lead Based Paint –

Will not be applicable to this development.

Asbestos –

Will not be applicable to this development.

Unit Functionality –

Each unit will be constructed with at least one linen closet, one pantry or closet, and in unit washers & dryers.

Durability –

Each of the durability requirements for flooring and cabinets will be met.

Amenities on Site

Senior Housing amenities –
Covered outdoor seating, recreation and gardening, Library, Fitness room, and other Common Area spaces will be provided free of charge.

Parking –
The parking plan will meet all local requirements.

Green Initiatives

Energy Conservation –
The infrastructure which has been developed to provide services for Copper Ridge and Meadowlands is of sufficient size and capacity to provide utilities for Granite Peak Apartments and the balance of the 5.85 acres. Water and sewer upgrades were installed in Continental Drive during the course of the Aspen Place I and Aspen Place II construction.

The Architect's Preliminary Certification and Energy Efficiency document is our representation that Granite Peak will meet Energy Star construction requirements and the measures we are proposing to implement will exceed current MBOH threshold requirements.

Water conservation will be achieved through installation of a high-efficiency irrigation system, limiting conventional turf, and utilizing drought-tolerant plants.

We also incorporate advanced framing efficiencies, including precut framing packages, open-web floor trusses, joint spacing greater than 16" on center, and when cost-effective, off-site (panelized) fabrication, which significantly decreases lumber costs and waste onsite.

We require the general contractor to implement a construction waste management plan be in place at start of construction, and is monitored through substantial completion of construction. We strive to divert construction waste hauled to the landfill through recycling, re-using, and reducing the amount of waste onsite.

Certification

Upon development completion, the architect and owner will each certify the Development as compliant with all the items above.

5. Resident Populations with Special Housing Needs – p.33-34 QAP

Granite Peak meets the Elderly Developments section of special housing needs:

- a) Senior Units age restriction 55+ – The 36 units at Granite Peak will consist of 1-bedroom and 2-bedroom units.
- b) Section 504 units – The law requires us to provide 5% or 1.6 units to meet Section 504 requirements. The development team has chosen to construct a total of 10 Section 504 units (5 1-bedroom and 5 2-bedroom units), which exceeds the 504 requirements.

As you can see, Granite Peak meets with each of the Development Evaluation Criteria set forth in the 2026 QAP.

In addition, there are numerous other factors we would like to point out for Board consideration, which are described below.

Granite Peak, Butte Silver Bow, City County Housing Strategic Plan 2024

Page 6 - A significant increase in the growth rate of population is expected over the next 20 years, with a projected 8% increase by 2030, to 37,324 residents, and an overall population by 2040 to 38,372 residents.

Page 6 - Factors contributing to growth in Butte-Silver Bow.

People are moving to Montana for remote working flexibility, relative affordability, and proximity to nature.

Page 6 - The median household income in Butte-Silver Bow is about \$7,000 lower than Montana's and \$20,000 lower than the United States.

Page 7 - 52% of the Silver Bow households earn less than 80% AMI. These households are all residential occupancy cost burdened.

Page 13 - Comparing rent prices, home prices, and incomes provides a window in the housing affordability. Median household income has increased 28.9%, rents have increased 24.8%, and median home sale price has increased 74.7%!

Page 14 - There is not enough housing available in Butte-Silver Bow to either rent or to buy.

Page 16 - The stakeholders survey concluded that 35.9% of them preferred building new housing, and a strong 33.3% preferred rehabilitation of the existing housing stock.

Page 22 - The number one goal of the Butte-Silver Bow Housing Plan is to increase by 2,000 the number of housing units by 2040, number two is increase affordable housing options; and number three is to improve and maintain existing housing.

Page 26 - Good map of Butte-Silver Bow bus route.

Page 46 and following - In following Existing Conditions and Housing Needs Analysis.

Page 49 - 15.4% of households are occupied by individuals over 65 years; 33% are two person households. Thus smaller living options, such as our 1 and 2 bedroom apartments are needed. .

Page 58 - 58.1% of renter households earn below 50% AMI.

Market Study

The market study was prepared by Novogradac and graphically demonstrates the need for Granite Peak.

Page 2 - Executive Summary.

Paragraph 2 - Strengths include location, excellent condition, and superior amenities. Further, Granite Peak will target seniors, and senior affordable housing is in short supply in the area.

Paragraph 3 - The resident managers at all LIHTC properties report being fully occupied.

Paragraph 5, Page 3 Paragraph 1 - LIHTC rents provide a rent advantage of between 36 and 74 percent as compared to the Determined Market rents of \$1,350 and \$1,650.

Developers point of clarification here; the site as noted in the Market Study is 5.84 acres for the entirety of the remaining development parcel owned by Orvieto Investments, Montana. Approximately 2.55 acres of that

parcel will be utilized by the Granite Peak Development. As this is not an appraisal, the value of the land is not relevant for Market Study purposes.

Page 8 - Zoning R-3 – Paragraph 1 – Granite Peak is an allowed use - Off-street parking requirements are 1.5 spaces per unit or 54 spaces.

Page 9 – Conclusion Paragraph - Granite Peak is considered to be in a good location for multi-family use.

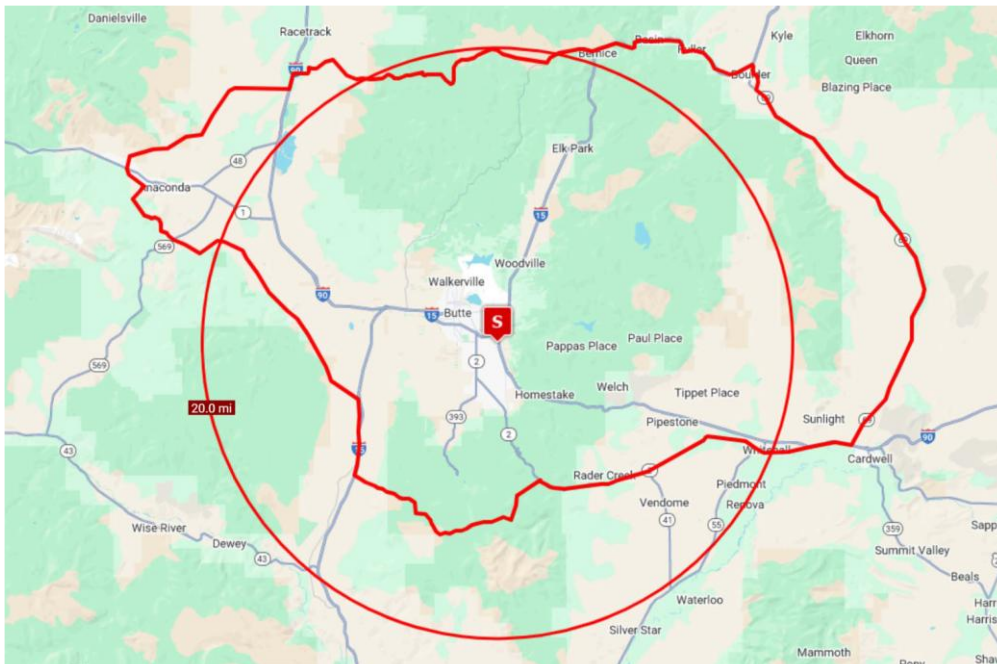
Unit Amenities – Page 11 Paragraph 2

- Patio with locking storage
- Window blinds
- Vinyl plank flooring
- Coat closets
- Grab bars in all bathrooms
- Walk-in closets
- Oven, range, dishwasher, garbage disposal, microwave, and in-unit washers and dryers

Community Amenities – Page 11 Paragraph 3

- Business center computer lab
- Community room
- Outside covered courtyard patio with raised planters
- Elevator
- Exercise facility
- On-site management
- Library
- Picnic area
- Common area Wi-Fi
- Activities and classes for residents
- Limited access and video surveillance

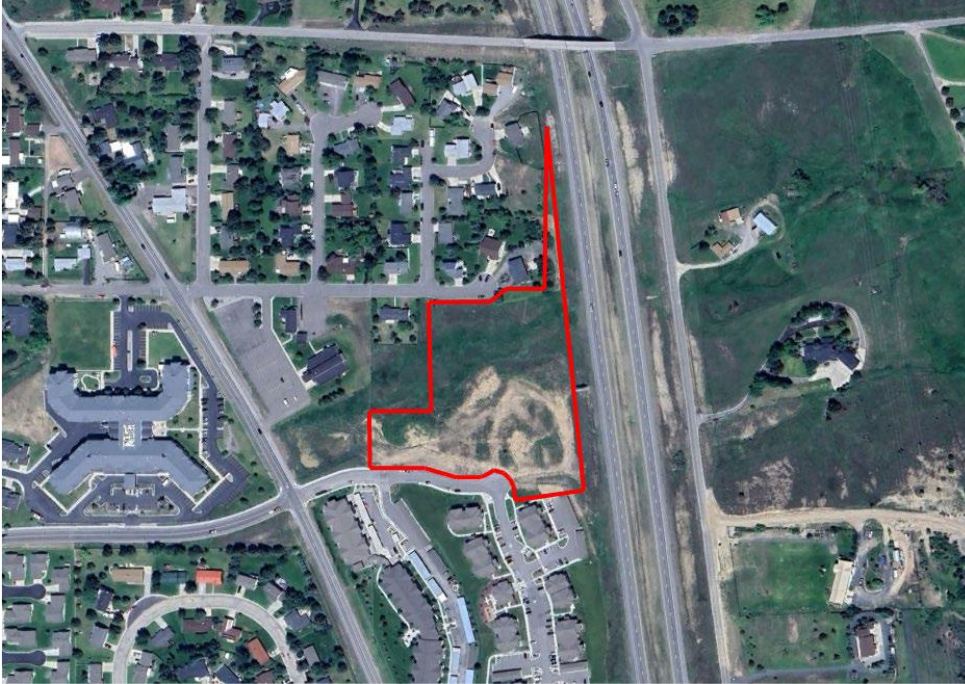
Page 15, Primary Market Area (PMA) Map – Page 16 all



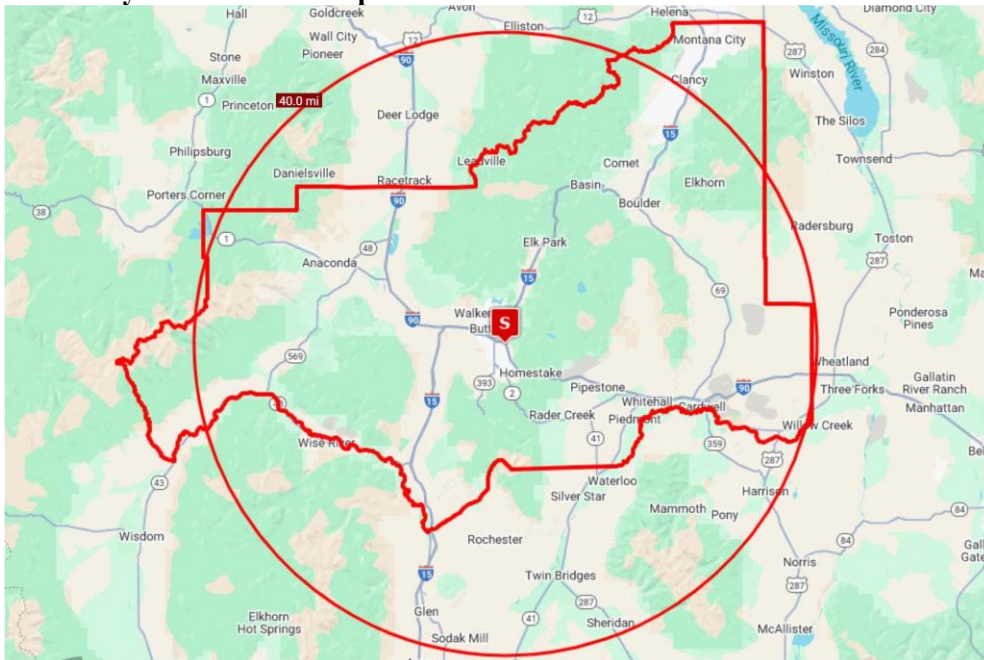
Secondary Market Area (SMA) – Page 17 All

The secondary market area is Butte Silver Bow County. There are no natural boundaries in the market that would inhibit anyone from relocating to the Granite Peak neighborhood.

Aerial View



Secondary Market Area Map



Economic Analysis

Page 18 – Paragraph below first chart - Employment is centered around healthcare, social services, retail trade, hospitality and food service which comprise 41.5 percent of total employment. While not directly germane to senior apartment demand analysis unemployment, in the SMA is 2.8 percent.

Page 23 and Following - Neighborhood Description and Analysis.

Page 23 Last Paragraph- Primarily Residential Uses.

Page 24 Paragraph 5 - Public Transportation, Butte Silver Bow Transit provides free public bus service Monday through Friday, 6:45 a.m. to 6:15 p.m. and Saturday 8:45 a.m. to 6:15 p.m. The bus stop is within walking distance of Granite Peak.

Page 25 All - Senior Center and Locational Amenities, the map and locational amenities are located on pages 1 and 2 of this letter.

Page 27, Demographic Analysis chart labeled Population 55+, the discussion here focuses on senior (55+) population. (Senior population) in the PMA is growing at 1.9% per annum and the SMA 2.2 % per annum.

Page 31 Top Chart - 67.3% of senior households earn less than \$40,000 annually. Utilizing spending no more than 33% figure of income or otherwise being rent burdened, a \$40,000 income translates into allowed rent of \$1,111 per month covering all affordable one-bedroom units and affordable two-bedroom units excluding 60% AMI units.

Page 36 Bottom Chart - Affordable Housing Supply, the following senior LIHTC properties are in the market: Meadowlands 71 units.

Page 37 Page 2 - Meadowlark, a 26-unit new construction senior development will compete with Granite Peak.

Page 78 - Market Characteristics Overall Vacancy Chart, Overall vacancy in surveyed properties 0.7% LIHTC vacancy 0%.

Page 87 Last Two Lines – The Market rent analysis concludes one bedroom, \$1,350 per month and two bedroom \$1,650 per month.

Page 89 Paragraph 3, Demand Analysis. Household size is assumed to be two persons per bedroom type.

Page 90, Income Distribution Table - The income distribution table is quite important and concludes there are 1,725 income-eligible senior rental households in the PMA.

Page 91, Capture Rate MBOH 55+ chart equals income-eligible households times the market study determination of movement. In this case, 35 percent.

So, 1,725 households times 35 percent equals 604 income and tenure-eligible households.

Thirty-six units equals a capture of 6.0 percent, which is outstanding as underwriters view a capture rate below 10% as financially feasible.

Similar analysis for the FHLB age capture 62 analysis yields a capture rate of 7.7 percent, still outstanding.

Page 92 and 93 - Penetration Rate is simply the total and proposed number of competitive housing units divided by the number of income-eligible households.

Anecdotally, the market study suggests that Copper Ridge Apartments (64 unit family LIHTC owned in significant part by applicant Thomas Development Co.) is competitive. In our 35 years in affordable housing experience, it is very unusual for seniors to be living in family apartment communities.

Meadowlands - 48 units all LIHTC and Meadowlands 2 - 224 units all market rate have been combined by the market analyst to yield 71 units (I presume they are not counting the manager's unit).

Page 93 - Penetration Rate Chart – The penetration rate of 8.6% further substantiates the need for senior affordable housing.

Page 96 – Age 55 Absorption, 2 months $\pm$.

Age 62 Absorption, 2 months $\pm$.

Absorbing and leasing 15 units per month, 18 units per month of senior housing is aggressive; we have done it before, and we will do it again here. That absorption rate is some of the highest we have ever seen, giving further credence to the prodigious demand for affordable senior housing.

Page 100 - Conclusions.

Paragraph 2, we recommend no changes to the development scheme.

Paragraph 5 - Overall, the combination of rising population, renter households, and median income bodes well for future demand for age-restricted multi-family housing.

Paragraph 7 - Vacancies amongst all properties average 0.7 percent and zero percent in the four LIHTC properties.

Page 101 Paragraph 1 - Strengths of Granite Peak include location, excellent condition, and superior amenities.

Paragraph three, the caption penetration rates are considered excellent. It should be noted there is very limited competition, and the demographics indicate an increasing senior population within the PMA.

Sustainable Site Location and Design

Granite Peak is an excellent location for senior affordable housing. Both Meadowland 1 and Meadowland 2 have been very well accepted in the marketplace.

The site has good proximity to financial institutions, shopping, and grocery. Please also note the developers have availed themselves of the following resources to bring maximum value to this development:

- Estimated Property Tax Exemption – \$828,000. This number is calculated using the Meadowlands 2 property tax bill of \$575.00 per unit times 36 times 40 years.
- Discounted Land Value (Developer Donation) – \$130,000

Development Team Characteristics

Thomas Development Co. and NIHC have a lengthy record of developing quality affordable housing over a 35-year period, in 6 different states, having developed more than 90 apartment communities. Local community support and resources has been a vital component to each of these developments. TDC and NIHC have long

maintained a standard operating procedure to solicit, engage, and partner with as many local community participants as possible, including consultants, lenders, contractors, service providers and many more. Please refer to the prior experience summary located in all threshold 37I Development Team Qualifications & Past Project List folder for a complete listing of all previously developed communities.

TDC has confirmed that neither NIHC nor TDC have any outstanding compliance or monitoring issues.

Compliance Training - Is completed by both the Management Team and the Development Team.

Thomas Development Co. and NIHC will both be actively involved in the construction process. TDC and NIHC have Cold Weather Development and Construction experience and expertise. See 37I, Cold Weather Development Experience for each of the co-developers.

Developer Knowledge and Responsiveness

The ability of the developers to work together with a local government entity, a local non-profit housing provider, and various other local organizations has resulted in a top quality, environmentally responsive site and building design meeting all of the selection criteria in the MBOH QAP, garnering not only enthusiastic neighborhood support but support of the entire Butte-Silver Bow community welcoming this much-needed affordable senior housing resource to Butte.

Need

Granite Peak, 36 units of much needed, new, senior, affordable housing, will be a refinement of senior affordable housing Thomas Development Co. (TDC) Has developed for the past 35 years and NIHC has developed for the past 14 years .

What follows is a partial list of the refinements which have been made over these years.

- Tub showers removed; all units now have accessible showers. Why? We have found that bathtubs are difficult to use for seniors, particularly those who have had hip or knee replacements.
- Two-bedroom units - we started constructing only one-bedroom units on the assumption that our family size would generally be a single person or perhaps a couple. While this is still largely the case, there is a need for a two-bedroom unit as a couple may have health issues making it more convenient for separate sleeping arrangements or a second bedroom for a part-time caregiver, family member staying with the senior individual, or couple to assist them frequently has made this decision a wise one.
- Replace vinyl siding with cementitious siding. Vinyl siding was "all the rage" 25 or so years ago. Long term, the wear pattern, particularly in cold climates, has not been the best.
- Handrails in central hallways - the community space central hallways are an excellent gathering place and opportunity for our senior residents to get exercise. The handrails are a big benefit to those with mobility issues.
- Raised community gardens. Many of our residents have either never lived in an apartment or not for a long time. Providing raised, mobility accessible, gardens at the onsite community space gives them a sense of "homeyness" and fosters community interaction. We ask our residents to help select the plants and vegetables they would like. We pay for the plants and assist the residents with planting if needed.

The ownership and management philosophy of Thomas Development Co. and Northwest Integrity Housing Co., is that we want our residents to actively engage with other residents at Granite Peak and have amenity space sufficiently sized to be able to invite family and friends for birthdays, Mother's Day, Father's Day, Thanksgiving, Christmas, Easter, etc. To that end, we provide:

A community gathering space on the ground floor just as you enter the main door purposely designed to look like a large living room, great room, and kitchen. This fosters both a sense of homeyness for our residents and serves as a gathering point for resident activities, including holiday parties, monthly potlucks, etc.

Examples of our resident activity programs at Meadowlands Apartments are attached in the Other Documents Tab 6-1A.

Additional community spaces include:

- Exercise facility with age-appropriate equipment.
- Library.
- Craft room.

We have included libraries in our senior communities for 35 years. The library is both a space for intellectual stimulation but also presents an opportunity to create community and camaraderie amongst our residents. How is that? We will stock the library with a range of books, magazines, and books on tape. Our onsite resident manager will encourage residents to bring in books, books on tape, etc., which they have already used to make available for their neighbors. Inevitably, this results in the library shelves being overstocked. This overstock creates another opportunity for community engagement, as the books can become a part of the annual neighborhood yard sale, which we strongly encourage our residents' communities to conduct. Proceeds are owned by the residents for collective community benefit.

Justification of Need

The need for affordable housing throughout the State of Montana, both family and senior, is likely demonstrated in all Mini Market studies. Certainly, that is the case with our Granite Peak study showing an immediate need for 282 additional senior affordable housing units.

With this demand likely showing in all, Applications we suggest Montana Board of Housing staff and Board consider a basic tenant of Section 42, that is the equitable distribution of LIHTC resources throughout the State. This is also reflected in Section VII of the 2026 QAP.

To that end, we have prepared two different graphs (which can be found at Tab 6-1) showing the distribution of LIHTC senior awards, both 4% and 9%, from 2013 through 2024.

The graphs show distributions either by number or units, units awarded on a per capita basis, and as a percentage of the total units awarded from 2013 to 2024 by location.

These results are very telling.

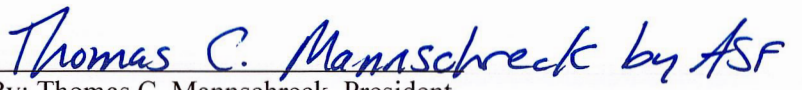
By all measures, Butte Silver Bow has been underserved. Butte Silver Bow has received significantly less LIHTC resources than all other cities and towns identified.

Whether this is a function of applications submitted and not awarded, or simply a lack of applications, MBOH staff and the Board have an opportunity to achieve both a Section 42 and MBOH stated objective of equitably and fairly distributing resources throughout the state by approving the Granite Peak senior Letter of Intent to go forward with a full application.

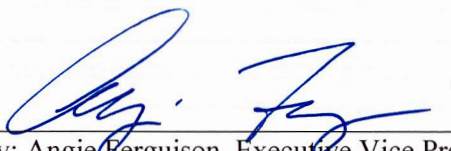
Thank you for this opportunity to provide affordable senior housing to Butte-Silver Bow.

Sincerely,

THOMAS DEVELOPMENT CO.


By: Thomas C. Mannschreck, President

THOMAS DEVELOPMENT CO.


By: Angie Ferguson, Executive Vice President

NORTHWEST INTEGRITY HOUSING CO.


By: Rick Sullivan, Executive Director

TCM:nlg/bem
Enclosures: (2)

MARKET STUDY SUMMARY

Market Study Company:	Novogradac
Project Name:	Granite Peak Apartments
Project Market Area:	The PMA includes the Cities of Butte, Walkerville, Woodville, Elk Park, Pappas Place, Paul Place, Homestake, Welch, Trippet Place, Pipestone, Sunlight, and Anaconda, as well as portions of Bernice, Basin, Fuller, Whitehall, and Rader Creek.
Mini or Full Market Study:	Full

*(if a mini market study fill out fields below that pertain, leave others blank)

Is the project, as proposed, viable? YES

Average (comparable/achievable) market unit rents in immediate area and the percent the proposed project rents are below these rents.

	Market Rents	% Project Rents	
0 bedroom	-	-	
1 bedroom	\$1,117	77.3%	
2 bedroom	\$1,415	72.4%	
3 bedroom	-	-	
4 bedroom	-	-	Reference page:
5 bedroom	-	-	83

of all New Units Needed: 435 Reference page: 93

of units needed for the targeted AMI of the project: 1,725 Reference page: 90

Vacancy Rate: 0.7% Reference page: 78

Months to Lease-up: 2 Reference page: 96

Capture Rate: 6.0% Reference page: 91
(projected income eligible tenants who will move in next year/proposed units)

Absorption Rate: 12.0% Reference page: 96
(proposed units/existing LIH, market area units required)

Penetration Rate: 8.6% Reference page: 93
(existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project: 1,243 Reference page: 90

Distance (miles) to: (only fill this out at full market study)

1.7 miles to grocery store (convenience store does not count)
4.1 miles to medical services appropriate and available to all prospective tenants (e.g., hospital, doctor offices, etc.) and are one of the following:

- ☐ A Project is located within 1½ miles of the specified amenity or essential service.
- ☐ Public or contracted transportation (not including taxi or school bus service) is reasonably available to the specified amenity or service (i.e., the Project is located within ¼ mile of fixed bus stop or on a same day call basis) (or letter from provider committing to establish such service); or
- ☐ delivery service to the Project Location (all distances must be as specified in the Project's market study).

All other services and distance to each.

	Other Service	Distance (mi)
1	Bus Stop (Blue/Red)	0.2
2	Conoco Gas Station	0.8
3	Wells Fargo Bank	1.4
4	Dollar Tree	1.5
5	Walmart Supercenter	1.7
6	Walgreens Pharmacy	1.7
7	Stodden Park	2.3
8	Fire Station	2.3
9	United States Postal Service	2.4
10	Belmont Senior Citizen Center	3.4
11	Butte-Silver Bow Public Library	4.1
12	Butte Sheriff's Department	4.1



August 1, 2025

Thomas Development Co.
Evelyn Camp
420 W Main Street, STE 300
Boise, Idaho 83702

RE: Granite Peak

Dear Ms. Camp,

I am pleased to submit this letter of support for your Low Income Housing Tax Credit (LIHTC) application for the Granite Peak development.

The BLDC believes that the project would be an asset to our community, given that Butte needs more affordable housing in order to assist our low-to-moderate income residents. Housing that is safe, habitable and affordable is critical to a healthy economy.

We strongly support your application for the Low Income Housing Tax Credit resources, and stand ready to assist if there is any way in which we can help. Please feel free to contact me with any questions you may have.

Sincerely,

Kelly Sullivan, Executive Director
Butte Local Development Corporation



July 17, 2025

Ms. Evelyn Camp
Thomas Development Co.
420 West Main St.
Boise, ID 83702

Dear Evelyn:

Action Inc. wishes to express its full support for your application to receive Low Income Housing Tax Credits (LIHTC) for Granite Peak Senior Housing in Butte. A successful application will result in an increased supply of affordable housing, which is so desperately needed in Butte-Silver Bow County.

Today in the county, nearly 20% of people subsist below the federal poverty line and 40% have incomes below 200% of the federal poverty line, qualifying them for some public assistance programs. Half of renters in the county are experiencing a cost burden because their rent constitutes more than 30% of their income and there are long waits for affordable units. For this reason, it is critical to our county that the supply of affordable housing be increased.

We strongly urge you to approve Thomas Development Co.'s application for Low Income Housing Tax Credits to construct the Granite Peak Senior apartments in Butte and help improve the lives of people in our community.

Sincerely,

Margie Seccomb,
Chief Executive Officer

Action Inc. | 25 West Silver Street | Butte, MT | 59701

800.382.1325 | www.butteassistanceprograms.org





BUTTE-SILVER BOW
OFFICE OF THE CHIEF EXECUTIVE

Courthouse, 155 W. Granite Street, Suite 106
Butte, Montana 59701-9256

Thomas Development Co.
420 W Main Street
Boise, Idaho 83702

Dear Thomas Development Co:

Butte-Silver Bow local government is in receipt of your request for a letter of support for your proposed affordable senior housing development to be known as Granite Peak Apartments.

From the conceptual review, which includes rents, square footages, site plans, amenities, age range of residents, and targeted income levels, we agree that the project as proposed would be an asset to our community affordable housing supply and will assist in meeting the housing needs of senior citizens in this community.

The property located on Continental Drive directly north of the Cooper Ridge Apartments is properly zoned for this proposed development. As Chief Executive of Butte-Silver Bow I continue to support the goal of providing affordable housing for citizens of Butte-Silver Bow.

Based on these facts, Butte-Silver Bow supports the construction of this facility. We understand that the long-term owner and operator of Granite Peak Apartments will be an affiliate of Butte Affordable Housing Inc as well as your corporation. We look forward to the development of this senior housing complex.

Sincerely,

J.P. Gallagher
Chief Executive
Butte-Silver Bow

Montana Board of Housing
PO Box 200528
Helena, MT 59620-0528

RE: Outpost at Kalispell, 40 Appleway Dr, Kalispell, Flathead County, MT, APN 0975180, Census Tract 000901.

Dear Montana Board of Housing Members:

On behalf of Mach, LLC and TE Miller Development, we are pleased to submit this application for 2026 competitive 9% Low-Income Housing Tax Credits for the development of Outpost at Kalispell, a proposed new construction 24-unit affordable housing family apartment community consisting of twelve one-bedroom and twelve two-bedroom units located in Kalispell, Flathead County, Montana. The development will consist of one three-story garden-style residential building utilizing the following construction materials: board and batt, vinyl framed windows, exterior breezeways, and balconies/patios for all units. The development is designed to address the critical need for affordable housing in the region and will serve households at or below 60% and 50% of the Area Median Income (AMI), with a weighted average of approximately 53% AMI. The unit mix is as follows:

Rent Targeting	# of Units	%	Weighted Avg.
50%	17	71%	35.42%
60%	7	29%	17.50%
Total	24	100%	52.92%

Outpost at Kalispell is thoughtfully planned to align with the needs of the local community. The project will designate at least 10% of its units for veterans, victims of domestic violence, or youth aging out of foster care.

Location and Neighborhood

Outpost at Kalispell will be located on a parcel, totaling 0.88 acres, with street frontage along the north side of Appleway Drive. All utilities are available on site. The property is located mid-block at 40 Appleway Drive, Kalispell, MT 59901. Outpost at Kalispell is located in Qualified Census Tract 140-30029000901 and within Kalispell's Westside Tax Increment Financing (TIF) District.

Outpost at Kalispell is located within 1.5 miles of a grocery store and a medical facility. The development is within walking distance (0.5 miles) of an Albertsons grocery store. The office of Jules Marsh, MD, a general practitioner, is located 1.1 miles from the development. Bluebird Health, a medical clinic, is within 1.4 miles of the Outpost at Kalispell.

Outpost at Kalispell will incorporate energy efficient building practices by providing Energy Star rated appliances – all electric, low U-value windows, and LED lighting, as well as native landscaping as part of its goal to reduce water use at the property. The project will attain an Energy Star Certification per the Energy Star Homes Program Revision and Implementation Timeline.

Each unit within Outpost at Kalispell will be outfitted with air conditioning, storage space, ceiling fans, a dishwasher, microwave, and an in-unit washer/dryer. The storage spaces will include a pantry, walk-in closet, and wood shaker cabinets. Planned design features include Luxury Vinyl Plank flooring, laminate countertops, wire shelving, canned lighting, and carpeted bedroom floors.

Outpost at Kalispell will be pet friendly. As such, Outpost's community amenities will include a dog run along with outdoor play areas and a barbecue/fire pit area to create a space that fosters community and an opportunity to socialize and recreate. The project will also provide a covered mail area and bike racks.

Mach, LLC and TE Miller Development, LLC

The project will be developed by Mach, LLC and TE Miller Development, LLC, both privately held real estate developers and owners, that oversee a portfolio of affordable apartment communities. The team has collectively developed over \$500 million in multifamily housing.

Praxis Consulting Group, LLC

Mach and TE Miller will receive consulting assistance from Praxis Consulting Group, LLC, a Nevada-based consulting firm, formed in 2004, that helps non-profit, for-profit, and government organizations develop and finance affordable housing. Praxis has assisted in the development and financing of over 14,000 units, totally over \$3 Billion.

Tushie Montgomery Architecture, P.C.

Tushie Montgomery Architects (TMA) is a full-service architecture and design firm based in Minneapolis, Minnesota, with over 40 years of experience delivering thoughtful, client-driven design solutions. The firm has extensive experience in the planning and design of affordable and workforce housing communities, collaborating with developers, housing authorities, and nonprofit organizations to create high-quality, cost-effective housing solutions.

Swank Enterprises

Swank Enterprises is a seasoned Montana contractor with deep experience in community and institutional construction and well-versed in cold-weather project delivery. Swank employs over 260 talented office staff and craftspeople, completing approximately \$250 million in construction work annually.

Infinity Management & Investments, LLC

Infinity manages over 60 properties in Montana, Washington, Idaho, North Dakota, California, and Wyoming. Infinity Management has expertise in Rural Development, Equal Housing, HOME, Section 8, California HCD, RHCP and Tax Credit requirements. Infinity takes on critical compliance functions, tenant eligibility screening, and regulatory oversight to ensure each LIHTC project adheres to federal and state requirements throughout the compliance period.

Financing and Schedule

The proposed financing for the development will include 9% Low-Income Housing Tax Credits, gap funding from Kalispell's Westside Tax Increment Financing (TIF) district, and conventional construction and permanent debt. The total development cost for Outpost at Kalispell is approximately \$8,758,862 or \$364,952 per unit cost. Outpost at Kalispell will close and start construction in approximately April 2026, with construction completion by June 2027, and conversion and Form 8609 by June 2028.

We respectfully request the Board's consideration of our enclosed application and look forward to the opportunity to bring this much-needed housing resource to the community. Please do not hesitate to contact Grant Schnell at 406-314-9936 or grant@machcpt.com should you have any questions or need additional information.

Thank you for your time, commitment, and continued support of affordable housing in Montana.

Sincerely,

Matt Belles
Development Lead

Outpost at Kalispell
40 Appleway Drive
Kalispell, MT 59901
Parcel Number: 0975180 (.88 acres)

22. Project Narrative

Income and Rent Level Targeting

Outpost at Kalispell is committed to serving low- and moderate-income households by restricting all residential units to individuals and families earning either 50% or 60% of the Area Median Income (AMI). Specifically, 7 of the units will be reserved for residents earning up to 60% of AMI, while the remaining 17 units will be designated for those earning up to 50% of AMI. This targeted income mix results in an average affordability level of just under 53% AMI across the project.

This strategic distribution of income levels reflects our intention to support housing stability and economic diversity, while maximizing the affordability of the development. By maintaining this mix, Outpost at Kalispell not only complies with affordability guidelines but also ensures that deeply affordable units are available to those with the greatest need in the Kalispell area.

Project Characteristics – Qualified Census Tract/Local Community Revitalization Plan

Outpost at Kalispell is located at 40 Appleway Drive, Kalispell, MT, within Census Tract 0009.01, which is officially designated as a Qualified Census Tract (QCT).

In addition to its QCT location, the project also falls within the boundaries of the Westside TIF District, which functions as a local Community Revitalization Plan. The Westside TIF District was established with a clear mission to encourage targeted redevelopment that strengthens neighborhood infrastructure, improves the quality of life for residents, and increases the availability of quality housing.

The TIF ordinance outlines housing as part of the revitalization within the district. Specifically, Paragraph 3 of the ordinance emphasizes the necessity for proposed projects to contribute to the area's long-term vitality by addressing housing needs. Outpost at Kalispell fully aligns with this vision by delivering high-quality, affordable housing that will contribute to the economic stability and social resilience of the Westside neighborhood. Please see the attached ordinance and the screenshot below.

3. Each project must achieve at least 3 out of the 6 criteria:

- *Housing* – Increases housing units, including integrating a variety of residential housing types to accommodate people of different age groups and income levels.

Design Requirements

Please see separate attachment prepared by our architect.

Tenant Populations with Special Housing Needs

We have designated this community as a family-focused project, with 10% of the units specifically reserved for veterans, survivors of domestic violence, and youth aging out of foster care. This set-aside was chosen to address the critical housing needs of these vulnerable populations.

Veterans have historically been underserved in this area and often face significant challenges in securing stable housing. Survivors of domestic violence are frequently in urgent need of safe, affordable housing as they rebuild their lives. Similarly, youth aging out of foster care are at a heightened risk of homelessness, with limited resources and substantial barriers to accessing housing. By prioritizing these groups, we aim to foster a more inclusive and supportive community where all residents have the opportunity to thrive.

Communication/Relationships

We are partnering with Community Action Partnership of Northwest Montana (CAPNM), a nonprofit organization that has been delivering essential social services to income qualified households in the Kalispell area since 1976.

As part of this collaboration, CAPNM has committed to informing all individuals and families receiving their services about our development, ensuring they are aware of the housing opportunities available. They will also provide guidance on how to apply for units within our project. This outreach is critical to reaching the populations most in need of affordable housing. Please refer to the attached letter of support and screenshot below for further confirmation of their involvement.

Moreover, our partnership with CAPNM is essential to the financial feasibility of the project. By collaborating with this qualified nonprofit through an administrative general partnership, the development becomes eligible for a property tax exemption. This exemption is a critical component of our financial strategy, enabling us to maintain long-term affordability and deliver high-quality housing to low- and moderate-income residents in Kalispell.

programs. CAPNM agrees to inform those receiving services at CAPNM of the housing project in a timely manner and to provide information regarding how to apply to said project. Additionally, CAPNM will provide communication regarding educational opportunities or programming to the project management team in order to promote activities that may benefit tenants.

MARKET STUDY SUMMARY

Market Study Company:	Novogradac
Project Name:	Outpost at Kalispell
Project Market Area:	Kalispell
Mini or Full Market Study:	Full

"(if a mini market study fill out fields below that pertain, leave others blank)"

Is the project, as proposed, viable? YES

Average (comparable/achievable) market unit rents in immediate area and the percent the proposed project rents are below these rents.

	Market Rents	% Project Rents	
0 bedroom			
1 bedroom	\$1,450	40.0%	
2 bedroom	\$1,575	26.0%	
3 bedroom			
4 bedroom			Reference page:
5 bedroom			91

of all New Units Needed: 362 Reference page: 96

of units needed for the targeted AMI of the project: 765 Reference page: 98

Vacancy Rate: 2.1% Reference page: 86

Months to Lease-up: 10 Reference page: 100

Capture Rate: 6.6% Reference page: 96
(projected income eligible tenants who will move in next year/proposed units)

Absorption Rate: 80.9% Reference page: 100
(proposed units/existing LIH, market area units required)

Penetration Rate: 3.1% Reference page: 98
(existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project: 1,034 Reference page: 95

Distance (miles) to: (only fill this out at full market study)

0.3 mi	miles to grocery store (convenience store does not count)
1.3 mi	miles to medical services appropriate and available to all prospective tenants (e.g., hospital, doctor offices, etc.) and are one of the following:

☒ A Project is located within 1½ miles of the specified amenity or essential service.

☒ Public or contracted transportation (not including taxi or school bus service) is reasonably available to the specified amenity or service (i.e., the Project is located within ¼ mile of fixed bus stop or on a same day call basis) (or letter from provider committing to establish such service); or

☐ Where applicable, the specified amenity or service is available via a no-charge delivery service to the Project Location (all distances must be as specified in the

All other services and distance to each.

	Other Service	Distance (mi)
1	Albertsons Pharmacy	0.3 miles
2	Meridian Park	0.3 miles
3	USPS	0.4 miles
4	Peterson Elementary School	0.4 miles
5	Three Rivers Bank of Montana	0.5 miles
6	Flathead High School	1 mile
7	Kalispell Police Department	1.1 miles
8	Kalispell Fire Department Station No. 61	1.1 miles
9	Flathead County Library Kalispell	1.1 miles
10	Kalispell Middle School	1.3 miles
11	Walmart Super Center	2.4 miles
13	Dollar Tree	2.6 miles
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**MARKET ANALYST SIGNED STATEMENT
(CERTIFICATION)**

Date of Physical Inspection:	26-Jun-25
Market Study Company:	Novogradac
Project Name:	Outpost at Kalispell
Project Market Area:	Kalispell

I affirm that I, or an individual employed by my company, have made a physical inspection of the market area on the date listed above and that information has been used in the full study of the need and demand for new rental units.

To the best of my knowledge, the market can support the demand shown in the study.

I understand that any misrepresentation of this statement may result in the denial of further participation in the Montana Board of Housing's programs.

I also affirm that I have no interest in the project and have an arms-length relationship with the ownership entity and my compensation is not contingent on this project being

Date:	July 29, 2025
Signatory Name:	Rebecca S. Arthur
Title:	Partner

Signature: _____

Rebecca S. Arthur



7/21/2025

SUBJECT: Letter of Support for Project at 40 Appleway in Kalispell
TO: Montana Board of Housing

Dear Montana Board of Housing,

On behalf of Housing Whitefish, I am pleased to provide this letter of support for the proposed 24-unit project at 40 Appleway in Kalispell. As a nonprofit dedicated to expanding affordable housing opportunities across Flathead County, we recognize the critical need for more homes for low to moderate income households.

The developers of this project are committed to replicable housing solutions to serve the needs of our underserved community members, which is evident in their project design and partnership with Community Action Partnership of Northwest Montana.

Thank you for your time and consideration.

Sincerely,

Daniel Sidder, Executive Director
daniel@housingwhitefish.org
406-318-6890



April 10, 2025

Montana Department of Commerce
301 S. Park Avenue
Helena, MT 59620

To whom it may concern,

Collaborative Housing Solutions (CHS) of Northwest Montana, the local Continuum of Care for housing insecurity and homelessness, is sending this letter in support of the 24-unit affordable housing project located at 40 Appleway Drive in Kalispell. While the entire nation is experiencing a similar trend with a shortage of appropriate, affordable housing in Flathead County is exceptional in this regard. As one of the fastest growing areas with one of the largest increases in average housing costs in the nation, Flathead County is in dire need of new, affordable housing. Without targeted development focusing on bringing new, affordable housing to this community, we will continue to see our first responders, teachers, grocery store clerks, seniors and/or persons with disabling conditions living on a fixed income and many more struggle with housing insecurity and homelessness. The CHS's 10-Year Plan to Address Homelessness and Housing Insecurity developed in 2024 supports the development of housing specifically at an affordable price point, as evidence and data show that without development at all price points, the bottom-half of the market will actually become less affordable.

This project will directly address a growing need for affordable housing, allowing for our neighbors to stay in their home community. Please consider this project when allocating future tax credits.

Best,

Sean Patrick O'Neill
Executive Committee
Collaborative Housing Solutions of NW Montana
(406)885-3042



45+ Years Proudly Serving Flathead, Lincoln, Lake and Sanders Counties.

April 14, 2025

Dear Montana Board of Housing,

Community Action Partnership of Northwest Montana (CAPNM) applauds all efforts to bring affordable housing to this area and is in full support of the proposed development at 40 Apple Way in Kalispell. The developers have intentionally crafted a 24-unit structure to meet local needs with a mix of one- and two-bedroom units. CAPNM is committed to providing referral services for this project.

CAPNM has provided critical social services for income qualifying households in the Kalispell area since 1976. Services are provided in accordance with financial eligibility; all CAPNM services are targeted towards households verified to be at or below 150% of the Federal Poverty Level. Supportive services include utility assistance, budgeting, emergency rental assistance, employment and training, as well as Section 8/ HUD VASH/ Emergency Housing Voucher programs. CAPNM agrees to inform those receiving services at CAPNM of the housing project in a timely manner and to provide information regarding how to apply to said project. Additionally, CAPNM will provide communication regarding educational opportunities or programming to the project management team in order to promote activities that may benefit tenants.

There is a desperate community needs for this type of housing opportunity in the Flathead.

Thank you for your consideration.

Director of Project Development
Community Action Partnership
ckipp@capnwmmt.org

Main Office Location
1820 US 93 S
Kalispell, MT 59901

Main Mailing Address
PO Box 88
Kalispell, MT 59903
Phone: 406-752-6565
Fax: 406-205-7971

Lincoln County Office
933 Farm to Market Rd.
Suite B
Libby, MT 59923
Phone: 406-293-2712
Fax: 406-299-9072

info@capnwmmt.org

www.capnm.net



HRDC District 10



learningtree@capnwmmt.org



Development Services

201 1st Avenue East

Kalispell, MT 59901

Phone: (406) 758-7940

Fax: (406) 758-7739

www.kalispell.com

Montana Department of Commerce
301 S. Park Avenue
Helena, MT 59620

To whom it may concern,

This letter is sent in support of the 24-unit affordable housing project located at 40 Appleway. Our community is experiencing a significant shortage of housing that is attainable for working families, and local businesses are increasingly challenged in recruiting and retaining employees due to the lack of affordable options. The City of Kalispell's Growth Policy Plan – It 2035 supports development of housing for all incomes, including affordable to meet the demands of the community.

This project directly addresses a critical need and will play an essential role in supporting Kalispell's continued economic vitality and quality of life. Additionally, the location of this development will enhance a key urban renewal area, contributing to the broader growth and vibrancy of Kalispell.

Sincerely,

Jarod Nygren
City of Kalispell Development Services Director

Saddlehorn Apartments

Cover Letter

Threshold Item #2



August 4, 2025

Mr. Jason Hanson
Multi-Family Program Manager
Montana Board of Housing
P.O. Box 200528
Helena, MT 59620-2840

**RE: Saddlehorn Apartments
2026 Low Income Housing Tax Credit Program Application**

Dear Mr. Hanson:

Enclosed you will find the **Saddlehorn Apartments** 2026 Housing Credit application. If awarded, the tax credits will provide the financial resources necessary to construct Saddlehorn Apartments, a new construction of two, two-story buildings that will house a total of 30 affordable apartment units targeted to families in the Miles City community.

CR Builders, LLC is pleased to be partnering with Hearthstone Group. in bringing this development to fruition. Led by Eric Peterson and a devoted Board of Directors, this 501(c)(3) organization is mission-driven to develop and foster affordable housing. Hearthstone Group pursues this mission through its extensive outreach to the developments in the following ways:

- Coordinating and administering programs and services for senior citizens
- Utilizing available public and private resources as well as applying for financial assistance made available by Federal, State, and Local Governments
- Maximizing use of volunteers, student and governmental work programs and other means to assure that administrative costs are minimized and programs/services are maximized

The **Saddlehorn Apartments** development will be located on land currently owned by John Peila in Miles City, and known as *Last Chance Subdivision*. The site is located at the northwest corner of South Moorehead Avenue and Stower Street and offers tremendous accessibility to services and amenities in Miles City. As currently envisioned, the development will be a 2-story, 2-building complex that will house 30 apartments in total; twelve (12) one-bedroom apartments, twelve (12) two-bedroom apartments, and eight (8) three-bedroom apartments. Saddlehorn Apartments will provide much-needed affordable housing for Custer County and the community of Miles City, which has not received an award of low-income housing tax credits since 2006. The intent of the overall development is to create a community for residents of Miles City to continue to live in the town they call home and to keep them nearer to family, friends, and support networks.

There is no question the need for affordable housing in Miles City is well documented. The market study indicates a low vacancy rate of 7.2% for the community and the comparable LIHTC properties ranged from 0.0 to 5.3% vacancy (pg. 62). While the rental market within Miles City is stable, there is a lack of affordable housing within the area. In short, the market study underscores the need for an increase in the supply of multifamily affordable housing in Miles City.

Mr. Jason Hanson
August 4, 2025

Page 2

According to the market study prepared by KVG Team, "The PMA is comprised of 32.0 percent renter households. Demand for rental units is expected to come from natural population growth and renter turnover" (pg. 77). KVG went on further to say, "The demographics presented above provide support that there is a stable renter population within the PMA and would typically support current and future demand for the Subject" (pg. 77). By 2030, it is expected that 889 renter households will be making \$50,000 or less in the Primary Market Area. This will lead to an increased demand for affordable housing. Additionally, employment is at an all-time high for the community. "The Area illustrated stable employment over the past decade and as of 2025 year-to-date, the county reached a decade high for total employment," stated by the KVG Team (pg. 77). A theme discussed at the Community Meeting on July 14th was affordable housing as a talent attraction and retention tool. Miles City is well-positioned for economic growth and needs the additional affordable housing units to allow the community to continue to grow.

Saddlehorn Apartments proposes dedicating 30 units as affordable housing units to families with income levels at or below 30%, 50% and 60% of the Area Median Income. By having a tiered income level approach, the project is providing a wide range of tenants with housing choices that are efficient, modern, and affordable.

On behalf of the entire development team, I offer a personal 'thank you' for the opportunity to present this development proposal. If I can help to clarify facts or provide more information during your review process, please do not hesitate to call me directly.

Sincerely,

CR Builders, LLC



Donald J. Sterhan
President & CEO



Saddlehorn Apartments

Development Evaluation Criteria Narrative

Threshold Item #22

Below is the Development Evaluation Criteria Narrative for the Saddlehorn Apartments project. References to the market study include page numbers and additional supporting documentation can be found in Threshold Item #37 *Development Criteria Items*.

Saddlehorn Apartments

Development Evaluation Criteria Narrative

Threshold Item #22

1. Lower Income Tenants

All thirty (30) units within the project will be for qualified low-income occupancy. Approximately 23.3% of the units will be rented to tenants meeting the 30% AMI threshold, 53.3% of the units will be rented to tenants meeting the 50% AMI threshold and 23.3% of the units will be rented to tenants meeting the 60% AMI threshold. Collectively, 76.67% of the units will be rented to tenants at or below the 50% AMI income threshold. The average affordability of the LIHTC units is approximately 47.67% of AMI.

Set Asides: The following chart illustrates the unit and income mix:

Number of Bedrooms	Number of Units	Tenant Paid Rent	Median Income Targeted
1 Bdrm	3	\$410	30%
1 Bdrm	3	\$740	50%
1 Bdrm	2	\$740	50% HOME
1 Bdrm	4	\$900	60%
2 Bdrm	2	\$475	30%
2 Bdrm	6	\$860	50%
2 Bdrm	2	\$860	50% HOME
2 Bdrm	2	\$1000	60%
3 Bdrm	2	\$540	30%
3 Bdrm	2	\$975	50%
3 Bdrm	1	\$975	50% HOME
3 Bdrm	1	\$1,200	60%

We are seeking to balance the number of units between 30%, 50% and 60% AMI levels to serve a broad range of affordability thresholds, while at the same time generating sufficient income to cover operating expenses and debt service payments. In addition, we believe this tenant mix will allow us to support the level of quality in our construction and amenities that will meet community expectations.

2. Project Characteristics

Amenities

The Saddlehorn Apartments project site will be located at the northwest corner of Stower Street and Moorehead Avenue in Miles City, Montana. The proposed site is located within 1.5 miles of grocery stores that are appropriate and available to the prospective tenants of Saddlehorn Apartments. Located immediately east, approximately 0.08 miles from the site location, is Albertson's Grocery Store. Albertson's is open to all members of the public. First Interstate Bank is located just 0.16 miles from the site location. Wilboux Park, a public park, is approximately 0.32 miles away. Holy Rosary Hospital is located approximately 0.55 miles southwest of the Saddlehorn campus (p. 14 of Market Study). There are a multitude of amenities within just 1 mile of the site.

Small Town Designation

Miles City, Montana has a population of 8,354 according to the 2020 Decennial United States Census Bureau which is less than the 10,000-person limit stipulated in the 2026 Montana QAP.

United States Census Bureau Decennial Census data for Miles City can be found in Threshold Requirement #37b – Development Criteria items folder.

3. Local Involvement

Community Input

As a part of the Saddlehorn Apartments development process, the development team organized a public meeting on Monday, July 14th to present the project to members of the Miles City community and to seek their comments and input. This public meeting was held at Miles Community College, just next door to the subject site location. Advertisements and public notices were published in the Miles City Star to inform the community of the meeting. The public meeting was also advertised on the Miles City Chamber of Commerce website and KYUS 92.3 and KATL Radio. In addition to the presentation at the community meeting, the development team presented the project to City of Miles City officials and the Custer County Commissioners.

Copies of the notice for community meeting, meeting minutes, and list of meeting attendees can be found in the Threshold Requirement #37e – Development Criteria Items folder.

Letters of support can be found in Threshold Requirement #37i – Development Criteria items folder.

4. Green Building and Energy Conservation Standards

The development team has worked with *Springer Group Architects (SGA)* as the Architect for this application. The firm's considerable experience in housing projects, as well as expertise in energy efficient design, bring to this project a commitment to superior design and construction in order to achieve a high standard of energy efficiency.

A Copy of the Architect's completed Design Requirements Form can be found in the Threshold Requirement #37h – Development Criteria Items folder.

5. Tenant Populations with Special Housing Needs

Family Projects

Saddlehorn Apartments is a new construction Family Project. This means Saddlehorn will have 6 (six) 3-bedroom apartments located in the project or about 20% of the total units will be 3-bedrooms. This meets and exceeds the requirement of having 10% of satisfying needs of individuals with children or large families (three or more bedrooms).

Saddlehorn Apartments

Market Study Summary Sheet

Threshold Item #15

Below is the Market Study Summary Sheet prepared by Kinetic Valuation Group.

MARKET STUDY SUMMARY

Market Study Company:	Kinetic Valuation Group
Project Name:	Saddlehorn Apartments
Project Market Area:	Northwest Corner of Stower Street and S. Moorehead Avenue

Is the project, as proposed, viable?

Average (comparable/achievable) market unit rents in immediate area and the percent the proposed project rents are below these rents.

	Market Rents	% Project Rents Below	
0 bedroom			
1 bedroom	\$ 1,100	-16.4%	
2 bedroom	\$ 1,150	-10.2%	
3 bedroom	\$ 1,510	-26.5%	
4 bedroom			Reference page:
5 bedroom			67

of all New Units Needed: Reference page:

of units needed for the targeted AMI of the project: Reference page:

Vacancy Rate: Reference page:

Months to Lease-up: Reference page:

Capture Rate: Reference page:
(projected income eligible tenants who will move in next year/proposed units)

Absorption Rate: Reference page:
(proposed units/existing LIH, market area units required)

Penetration Rate: Reference page:
(existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project: Reference page:

Distance (miles) to: (only fill this out at full market study)

0.08	miles to grocery store (convenience store does not count)
0.55	miles to medical services appropriate and available to all prospective tenants (e.g., hospital, doctor offices, etc.) and are one of the following:

☐ ☒ A Project is located within 1½ miles of the specified amenity or essential service.

☐ ☒ Public or contracted transportation (not including taxi or school bus service) is reasonably available to the specified amenity or service (i.e., the Project is located within ¼ mile of fixed bus stop or on a same day call basis) (or letter from provider committing to establish such service); or

☐ ☒ Where applicable, the specified amenity or service is available via a no-charge delivery service to the Project Location (all distances must be as specified in the Project's market study).

All other services and distance to each.

	Other Service	Distance (mi)
1	Albertsons	0.08
2	First Interstate Bank	0.16
3	First Lutheran Church	0.19
4	Highland Park Elementary School	0.21
5	Wibaux Park	0.32
6	Exxon	0.48
7	Intermountain Health Holy Rosary Hospital	0.55
8	Custer County High School	0.69
9	Miles City Public Library	0.99
10	Washington Middle School	1.14
11	Intermountain St. Vincent Regional Hospital	1.17
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From: noreply-MTCommerce@formstack.com

Date: July 30, 2025 at 4:18:08 PM MDT

To: careyaswenson@gmail.com

Subject: Commerce Contact Form

Reply-To: noreply-MTCommerce@formstack.com

Thank you for contacting us. Your message was received successfully.

We will attempt to address your question or comment as quickly as possible. Our normal hours of operation are 8 a.m. to 5 p.m., Monday through Friday.

If you do not receive a response to your request below within a reasonable time frame, please contact us at 406-841-2700.

Name: Carey Swenson

Email: careyaswenson@gmail.com

Phone: (406) 951-1799

Organization: None

Subject: Low income housing purposal Miles City

Message: I went to the public meeting on the Saddlehorn apartments proposal in miles city Montana. Just wanted to say it was very well. Presented very professional and there is a definite need in eastern Montana for this type of housing. Please consider strongly supporting this proposal. Thank you for your time.

Carey Swenson



700 Main Street • 800 S Haynes Ave • PO Box 250 • Miles City, Montana 59301-0250
406.234.8420 FAX 406.234.8419

Mr. Jason Hanson
Multi-Family Program Director
Montana Board of Housing
P.O. Box 200528
Helena, MT 59620

Dear Mr. Hanson,

On behalf of Stockman Bank, I am writing to express our support of the proposed affordable housing community known as Saddlehorn Apartments. As a financial institution that was founded on the philosophy that everyone in the community should be served, and with deep roots in rural communities across the state of Montana, we understand the essential role that accessible and affordable housing plays in supporting economic growth in communities like Miles City.

The need for affordable housing in Miles City and the surrounding region has become increasingly evident. Many hardworking individuals and families are struggling to find safe, quality housing within their means. The current housing affects the local businesses, schools, and healthcare providers who depend on a stable workforce and population.

This development creates thoughtfully planned, income-based housing units that will provide long-term benefits for our residents. This represents more than construction -it is an investment in the future of Miles City and its residents. Quality affordable housing supports economic development, encourages workforce retention, and improves the overall quality of life for the residents of Miles City.

We strongly encourage all decision-makers to move forward with this project and look forward to witnessing the positive impact it will have on Miles City for years to come.

Respectfully,

A handwritten signature in blue ink, appearing to read 'Mitch Grove', with a long, sweeping horizontal line extending to the right.

Mitch Grove
President- Miles City Market
Stockman Bank

CC: Don Sterhan – CR Builders, LLC



Member FDIC



CITY OF MILES CITY

17 S. 8th, P.O. Box 910
Miles City, MT 59301-0910

Telephone: 406-234-3462
Fax: 406-234-2903

July 15th, 2025

Mr. Jason Hanson
Multi-Family Program Director
MT Board of Housing
PO Box 200528

Dear Mr. Jason Hanson,

The proposed apartment complex is a much needed and special opportunity for Miles City and our population especially those with limited resources.

Increase in living quarters available to the public with limited income is a significant improvement for the citizens of Miles City.

In addition, the property tax increase will provide additional monetary resources to the City of Miles City.

In conclusion as Mayor of Miles City, I support this project in concept and am hopeful it will become a reality.

Respectfully,

A handwritten signature in blue ink that reads "Dwayne Andrews".

Mayor Dwayne Andrews
PO Box 910
Miles City, MT 59301

CC: CR Builders c/o Don Sterhan
2101 Overland Ave
Billings, MT 59102

From: [Benjamin Uhlich](#)
To: [Hanson, Jason](#)
Subject: [EXTERNAL] Miles City Affordable Housing Project
Date: Monday, May 5, 2025 3:39:51 PM
Attachments: [Outlook-cidimage00.png](#)
[Outlook-cidimage00.png](#)
[Outlook-cidimage00.png](#)
[Outlook-cidimage00.png](#)
[Outlook-Text Desc.png](#)

Attn: Mr. Jason Hanson Multi-Family Program Director Montana Board of Housing

Dear Mr. Hanson,

I am writing in support of the Saddlehorn Apartments proposal submitted by CR Builders, LLC for the development of a 28-unit housing project in Miles City.

Miles City is a vibrant and growing community that has not received an award of Low-Income Housing Tax Credits (LIHTC) since 2006, despite a significant need for additional multifamily housing. Currently, the city has only two affordable multifamily housing projects, totaling 53 units. However, a recent market study indicates that 149 units are needed to meet local demand. The Saddlehorn Apartments will help address this shortage by adding 28 affordable units to the area. Presently, there are 451 households eligible to rent an affordable apartment in the primary market area. This LIHTC project is expected to appeal to residents employed in the retail, service, and healthcare industries.

As a member of the Miles City Area Economic Development Council and President/CNO of Holy Rosary Hospital, I have been actively involved in discussions and assessments regarding housing needs and their impact on the local economy and workforce. Community feedback from recent surveys highlighted affordable housing and housing safety as top concerns. The lack of available housing has directly affected our ability to recruit highly skilled hospital personnel, which in turn impacts the continuity of care we can provide.

A recent survey conducted by Great West Engineering for Custer County (January 16 – March 17, 2025) revealed the following insights from local employers:

- 43% reported that their ability to recruit and retain qualified employees has worsened over the past five years.
- 83% cited affordability as a major concern.
- 48% had employees refuse job offers or leave employment due to a lack of suitable housing.
- 62% indicated that employees or potential hires have difficulty finding housing.
- 45% identified the availability of affordable workforce housing as a serious problem; 38% called it a moderate problem.
- 60% said the quality of affordable workforce housing is a serious problem; 25% called it a moderate problem.

The Saddlehorn Apartments project proposes a new multifamily housing campus with 28 rental units, all priced affordably. It is designed to serve families earning at or below 60% of the Area Median Income (AMI). According to the survey, at least 40% of respondents earn less than the national median household income of \$63,585 and Miles City's median of \$60,732.

Housing is essential to the growth and sustainability of any community. It plays a critical role

in attracting and retaining a workforce that contributes meaningfully to the local economy. This project directly addresses the top concerns voiced in the survey, including:

- The need for accessible housing—not just for seniors
- A rental market and housing prices disproportionate to wages
- A clear need for more low-income housing options

I strongly support the Saddlehorn Apartments proposal and urge the Montana Board of Housing to consider this much-needed development for Miles City.

Sincerely,

Thank you
Benjamin

Benjamin A Uhlich, RN, BSN, MBA

President - Chief Nursing Officer Holy Rosary Hospital
Intermountain Health, Peaks Region
2600 Wilson Street, Miles City MT 59301
P: 406.233.2622 | C: 605.212.1201
benjamin.uhlich@imail.org

Bridgette E. Gibbs

Executive Assistant
Intermountain Health, Holy Rosary Hospital
2600 Wilson Street, Miles City, MT 59301
P: 406.233.2602

 | [\[instagram.com\]](#)  | [\[facebook.com\]](#)  | [\[twitter.com\]](#)  | [\[linkedin.com\]](#)



**Intermountain
Health**

[\[intermountainhealth.org\]](http://intermountainhealth.org)

“Never tell people how to do things. Tell them what to do and they will surprise you with their ingenuity.” – General George S. Patton

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MILES CITY HOUSING AUTHORITY

• 310 N. Jordan • Miles City, MT 59301

email: milescityhousingauthority@outlook.com

RECEIVED

JUL 29 2025

**MONTANA BOARD OF
HOUSING**

July 24, 2025

Mr. Jason Hanson
Multi-Family Program Director
Montana Board of Housing
P.O. Box 200528
Helena, MT 59620-2840

RE: Letter of Support for Tax Credit Project 'Saddlehorn Apartments, Miles City

Dear Mr. Hanson:

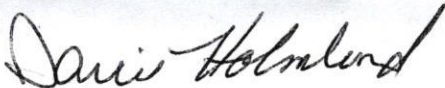
In Miles City there is a lack of construction for low-income apartment units. The Saddlehorn project may be a solution to help with some of that need. It will also encourage economic growth for Miles City in supplying needed affordable housing units.

There are three tax credit projects in Miles City with The Cornerstone the last funded tax credit project in 2006. We hope that if the Saddlehorn Apartments project is funded, it will enhance the other three projects.

Thank you for your consideration of this tax credit application.

Sincerely,

The Board of the Miles City Housing Authority



Darcy Holmlund, President

Cc: CR Builders LLC,
Attn: Don Sterhan
2101 Overland Ave.
Billings, MT 59101





RECEIVED

JUL 28 2025

Custer County



**MONTANA BOARD OF
HOUSING**

**From the office of
BOARD OF COUNTY COMMISSIONERS**

Chair, Jason Strouf 406.874.3352 • Jeff Faycosh 406.874.3350 • Kevin Krausz 406.874.3351
1010 Main Street, Suite 22 MILES CITY, MONTANA 59301

July 21, 2025

Mr. Jason Hanson
Multi-Family Program Director
Montana Board of Housing
PO Box 200528
Helena, MT 59620-2840

Ref: Saddlehorn Apartments

Dear Mr. Hanson;

Custer County including Miles City is in need of affordable to multi-family housing to meet the needs of our growing community. The Saddlehorn Apartment proposal to construct a new multi-family housing campus consisting of 30-rental units-all at an affordable price. This project is designed to serve families with income levels at or below 60% of Area Median Income (AMI).

We are well aware that Miles City has not received an award of low-income housing tax credits (LIHTC) since 2006. A recent housing study for the community shows a need of 149 units to meet this demand, with 451 households eligible (below 60% AMI). The 30 units are a great first step to meeting the housing needs in Miles City.

The location chosen for the Saddlehorn Apartment proposal is in a perfect location in the community with pharmacies, medical providers, grocery stores, schools and restaurants within walking distance.

We would appreciate the support from the Montana Board of Housing for the assignment of low-income tax credits for the Saddlehorn Apartment proposal.

Sincerely,

Jason Strouf, Chairman
Custer County Commissioners

Absent & Excused
Kevin Krausz

Jeff Faycosh



September 15, 2025

Mr. Jason Hanson
Multi-Family Program Director
Montana Board of Housing
PO Box 200528
Helena, MT 59620-2840

RE: Letter of Support - Southeastern Montana Development - Saddlehorn Apartments Project

Dear Mr. Hanson:

As the Executive Director for Southeastern Montana Development (SEMDC), **I am strongly Supporting the Saddlehorn Apartments Project in Miles City, MT as submitted by CR Builders.**

As you may know, SEMDC is a regional non-profit economic development group that was formed in 1997 to encourage economic activity in the four (4) Counties of **Custer**, Powder River, Rosebud, and Treasure. Our track record has documented over 1,249 jobs created or retained and over \$100 million dollars in project assistance since 1997. Since 2005, we have been designated by the State of Montana as a Certified Regional Development Corporation (CRDC) and the federal Economic Development Administration (EDA) as an Economic Development District.

A couple of Key Criteria that I would like to share with you are as follows:

- 1) As a regional economic development professional serving four rural counties, including Custer County, I am shocked at how the lack of Adequate Housing Units in rural Eastern Montana is acting like a "Parking Brake" on economic opportunities. We are creating jobs but also losing those workers as there are significant shortages of housing units, This includes LMI Housing Units (like the proposed Saddlehorn Apartments), Elderly and Middle-Class Family Homes as well,
- 2) In the SEMDC Comprehensive Economic Development Strategy (CEDS) Annual Planning Document, we show Four (4) separate Housing Needs identified and noted by the residents of Custer County. This is consistent in the other three (3) counties that SEMDC serves and
- 3) Finally, I feel this successful housing addition into Miles City would be Mutually Beneficial to all parties, especially those in Need.

Thus, I am strongly Supporting the CR Builders Saddlehorn Apartments Project. Feel free to contact me with any further questions or comments concerning this Outstanding Opportunity in Eastern Montana.

Jim Atchison
Executive Director



CITY OF MILES CITY

17 S. 8th, P.O. Box 910
Miles City, MT 59301-0910

Telephone: 406-234-3462
Fax: 406-234-2903

RECEIVED

JUL 18 2025

July 15th, 2025

**MONTANA BOARD OF
HOUSING**

Mr. Jason Hanson
Multi-Family Program Director
MT Board of Housing
PO Box 200528

Dear Mr. Jason Hanson,

The proposed apartment complex is a much needed and special opportunity for Miles City and our population especially those with limited resources.

Increase in living quarters available to the public with limited income is a significant improvement for the citizens of Miles City.

In addition, the property tax increase will provide additional monetary resources to the City of Miles City.

In conclusion as Mayor of Miles City, I support this project in concept and am hopeful it will become a reality.

Respectfully,

Mayor Dwayne Andrews
PO Box 910
Miles City, MT 59301

CC: CR Builders c/o Don Sterhan
2101 Overland Ave
Billings, MT 59102



July 30, 2025

RE: Pintler Pines- New construction 24 units of multifamily housing

Dear Montana Board of Housing Board Members,

The Housing Company (THC) is pleased to partner with Anaconda-Deer Lodge County (ADLC) for the development of Pintler Pines, a 24-unit affordable housing apartment project in Anaconda, Montana. Pintler Pines will target seniors 55+ to provide 18 one-bedroom units and 6 two-bedroom units. Residents will be charged rents at 30% Area Median Income (AMI), 50% AMI and 60% AMI ensuring deep affordability. Through the use of the Low Income Housing Tax Credit (LIHTC) program, The Housing Company will construct an affordable, modern, multi-family housing development in a city-county that has very limited affordable rental housing.

Anaconda Deer Lodge County is partnering with The Housing Company by donating the land and NSP funds for the development of Pintler Pines. The site sits within Anaconda's city limits, just steps from grocery stores, medical services, a senior center, schools, parks, free public transportation and employment opportunities. This summer, after winning the County's request for proposal for the land, the parcel was rezoned to high-density residential and multi-family housing is now an approved use. With full endorsements from the planning committee, county commissioners and the county CEO and having sailed through four public hearings with positive media coverage the project has strong community support and is poised for a smooth development process.

In place of the closed Dwyer, School Pintler Pines will provide 24 units for seniors 55 and older. The development will have three residential buildings and a community building. The community building features include a library, game room, management office and an outdoor covered patio space for social gatherings. Pintler Pines will also feature a community garden for added resident enjoyment. The amenities offered at Pintler Pines will promote a sense of community while allowing seniors to live independently and age in place.

Pintler Pines will offer amenities to tenants that are superior to the current aging housing stock of Anaconda. Each unit will be equipped with Energy Star rated appliances, air conditioning and quality finishes. These amenities will not only provide a more comfortable living environment but will also be beneficial from a management and maintenance standpoint. Using quality appliances, durable building materials and a time-tested building design will reduce ongoing maintenance and operating expenses.

Pintler Pines will provide 24 apartments targeting households making at or below 60% of the area median income (AMI). Rents will be set at or below 30%, 50% and 60% AMI levels. Our market study indicates a significant need in the area at these income levels. In the market study, Danter & Associates has calculated 322 income qualified households at the proposed AMI levels and 129 units needed within the market area (III-51). Using a formula of two people per bedroom, our project would directly benefit 60 seniors in the Anaconda community. The population 55+ is growing much faster than the overall population. The study shows between 2010 and 2020, the population of individuals 55+ increased by 21.3%, far outpacing the overall population increase of 4.4% (III-3).

Pintler Pines will set rents at a drastic discount than what is currently found in the Anaconda rental market at properties with similar amenities. The net rents offered at Pintler Pines for a one-bedroom unit will range from \$412-\$904 and \$490-\$1080 for a two-bedroom unit. The market study found that the net adjusted market rate rents in the primary market area are \$1,090 for a one bedroom and \$1,340 for a two-bedroom unit (III-39-46). The proposed rents at Pintler

Pines will run from 36.6% to 82.9% under the net adjusted market rents in the Anaconda area (III-46). While tax credit resources have been awarded to developments in other markets throughout the state, the City of Anaconda and Deer Lodge County has not received an award in over 20 years. This will be the first new affordable apartment development in Anaconda since 2006. With 40.5% (III-34) of local renters spending more than 30% of their income on rent and most existing properties built before 1985 (III-63), Pintler Pines fills a critical need for affordable, modern homes.

The market study identifies an extremely low vacancy rate in Anaconda of 4.2% (III-47). This low rate indicates that the market is limited by a lack of supply not a lack of demand. There are no vacancies at the existing tax credit or subsidized projects. It is noted in the market study that Pintler Pines will not have a negative impact on existing units and will address the aging population growth (III-62). Pintler Pines will have a very competitive advantage over the existing market-rate properties in the Anaconda site EMA.

Pintler Pines will be developed by The Housing Company (THC). THC is an experienced affordable housing development company that has utilized a variety of financing tools including LIHTC, HOME funds, HTF, Historic Tax Credits, CDBG, NSP and others. Over the years, THC has developed over 1,300 affordable housing units in nearly two dozen communities. Additionally, 40% of our portfolio are in rural communities. The Housing Company is passionate about creating homes in rural, underserved areas.

Our management partner, Infinity Management Company, will provide professional property management services to Pintler Pines and assist residents in achieving their goals. The Housing Company will acquire the property at the end of the initial 15-year compliance period ensuring affordability in perpetuity.

THC has contracted with North Folk Development for development consulting services. North Folk Development is an experienced Montana affordable housing consultant and will assist The Housing Company through the HOME and HTF application process.

The market study conducted by Danter & Associates illustrates a demand for additional affordable housing in Anaconda-Deer Lodge County, as a significant population of renters are currently rent-burdened. Pintler Pines will meet the need for additional affordable housing in a community with very few rental options. All members of the development team have extensive experience in managing all phases of development. The team is confident that Pintler Pines will have a beneficial impact on an underserved population in the Anaconda Community. Pintler Pines will provide spacious units that will allow seniors to age in place in a home that is safe for mobility and is affordable.

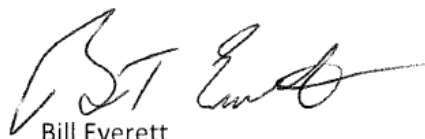
The Housing Company is a non-profit organization whose sole mission is the preservation and development of affordable housing. The Housing Company keeps all of our portfolio affordable indefinitely. We recognize that every community has a need for affordable housing. We ask that you consider supporting Pintler Pines to benefit the senior population in the City of Anaconda and Deer Lodge County.

Pintler Pines represents a collaborative, well-supported and financially feasible solution to aid Anaconda and Deer Lodge County's senior housing shortage. We respectfully request your support for this project to provide safe, modern, and affordable homes for our growing senior community.

Sincerely,

Tiffany Hapney

Tiffany Hapney
The Housing Company
Development Manager



Bill Everett
Anaconda Deer Lodge County
Chief Executive Officer



Development Evaluation Criteria – Pintler Pines- Anaconda, MT

1. Lower Income Tenants

The Homestead will utilize the 40-60 set aside.

Income and rent level targeting

Pintler Pines will utilize the 40-60 set aside with a weighted average of 52.92%. This is verified on the Financial tab of the application. The rents will vary from 30%-60% AMI.

2. Project Characteristics

Amenities

The project will be located in a convenient location that is in close proximity to all amenities in Anaconda. As noted in the market study on page III-15 & III-16, most of the amenities are within one mile of the subject property; including schools, Stokes Market grocery store, a fire station, retail shopping, library, the post office, senior center, medical centers and parks. The area appeal rated excellent as evidenced by the market study on page III-14. There is a community bus that services the city of Anaconda on a same day call basis. The bus service is provided by the Metcalf Senior Center. The center also provides congregate meals and activities at the facility five days a week. Additionally, homebound seniors receive meals delivered to their homes.

Small Town

Anaconda is located in Deer Lodge County in Census Tract 0004. The data from the Census Bureau for 2010 and 2020 supports a population less than 10,000. The Census report documented in the market study. Please refer to page III-3 and pages 110-118 for supporting documentation.

3. Local Involvement

Community Input

Anaconda-Deer Lodge County convened a public meeting at Anaconda City Hall on June 9, 2025, for the planning board to consider a district map amendment and the issuance of a major development permit. Before the Planning Board and members of the public, Tiffany Hapney of The Housing Company presented the proposed project and responded to their questions.

On June 10, 2025, the County Commission held a work session—also at Anaconda City Hall—to review the bid for the Dwyer School property; during that session, Tiffany Hapney again represented The Housing Company and addressed Commissioners and public inquiries about the bid terms and development plans.

On June 17, 2025, the County Commission held their regular meeting where the motion from the board unanimously approved RFP award of the Dwyer School Property to The Housing Company. The RFP award is evidenced by the purchase and sell agreement included with the application.

On July 15, 2025, the County Commission held their regular monthly meeting where the motion from the board unanimously approved the development district map amendment and the major development permit to allow for high density multifamily.

Enclosed with this application are the public notices, agendas and meeting minutes. The minutes include approvals for the zoning change, the major development permit, and the County land award.

The Planning Board and County Commission meetings garnered extensive coverage from local media outlets. Enclosed with this application are the following materials:

- Copies of the Anaconda Leader newspaper articles covering each meeting
- Transcript of the NBC-Anaconda televised segment, accompanied by the related online article
- A screenshot of an Anaconda Leader social media post illustrating additional coverage and public engagement

<https://nbcmontana.com/news/local/proposed-anaconda-senior-housing-project-moving-forward>

Communication/Relationships

Anaconda-Deer Lodge County (ADLC) demonstrates a firm commitment to the Pintler Pines affordable housing initiative through both in-kind and financial contributions. ADLC is donating a designated parcel of county-owned land and has allocated \$162,207 in Neighborhood Stabilization Program (NSP) funds. These combined commitments ensure the project's foundation and financial viability.

ADLC has formalized its commitments through the following documents: executed site control document confirming transfer of land rights and a County NSP confirmation letter verifying allocation of \$162,207.

4. Design Requirements

The project is committed to implementing the following design standards and green initiatives:

- Insulation and Windows meeting State Adopted IECC standards
- LED Lighting on all exterior fixtures
- LED or CFL Lighting on all interior fixtures
- Toilets = 1.6 GPF min (3 inch flapper is recommended)
- Range/bathroom fans vented to exterior (New Const only)
- Carbon Monoxide Detectors in all units that provide Gas Fired Appliances or Equipment within the unit

FLOORING

- Carpet – 26 oz min, green label plus certified.
- Hard Surface – 12 mil min. wear layer (0.3mm), floor score certified for air quality.

CABINETS

- No added urea-formaldehyde
- Will comply with AWI Architectural Woodwork Quality Standards Economy Grade or KCMA A161.1.
- Will contain cabinet fronts made from solid wood. Front stiles pocket-drilled and assembled with screws for rugged durability. Side and back panels are made from 3/8" vinyl covered

particleboard min. For wood surfaces that are to be coated or laminated with vinyl or water-resistant coating, the coating or laminate should be applied as soon as practicable, to reduce formaldehyde emissions.

GREEN INITIATIVES

- Building envelope components to exceed code per adopted IECC by 5%- includes windows, doors, insulation values in roof and walls and crawlspace or slab on grade. Each must be at least 5% over the applicable IECC Value.
- Low/No VOC paint/adhesives- All Units
- Formaldehyde free/full sealed countertop and cabinets- All Units
- Water Efficient Landscaping
- Smoke-free policy that includes all units, buildings, and their respective indoor common areas

An architect certification letter of the required design standards and green initiatives can be found as an attachment to this application

5. Tenant Populations with Special Housing Needs

Elderly Projects

Pintler Pines is a new construction project that will meet the Section 504 fully accessible requirements on 20% of units. Included is the unit accessibility plan broken down into what The Housing Company intends to construct.

Unit Size	Meets Fair Housing Requirements	Adaptable	504 Units		TOTALS
			Physical Disability	Sensory Disability	
1-bedroom	18	18	3	2	18
2-bedroom	6	6	2	1	6
TOTALS	24	24	5	3	24
% of Total Units	100%	100%	20%	10%	

MARKET STUDY SUMMARY

Market Study Company:	Danter and Associates, LLC
Project Name:	Pintler Pines
Project Market Area:	Anaconda, Montana
Mini or Full Market Study:	Full

*(if a mini market study fill out fields below that pertain, leave others blank)

Is the project, as proposed, viable? YES

Average (comparable/achievable) market unit rents in immediate area and the percent the proposed project rents are below these rents.

	Market Rents	% Project Rents	
0 bedroom			
1 bedroom	\$ 1,090	37.8% to 82.9%	
2 bedroom	\$ 1,340	36.6% to 80.6%	
3 bedroom			
4 bedroom			
5 bedroom			

Reference page: III-39-46

of all New Units Needed: 129 Reference page: III-51

of units needed for the targeted AMI of the project: 40-129 Reference page: III-51

Vacancy Rate: 5.7%/4.2% Reference page: III-37/47

Months to Lease-up: 2.7-3.6 Reference page: III-54

Capture Rate: 17.9% Reference page: III-51
(projected income eligible tenants who will move in next year/proposed units)

Absorption Rate: 15.2% Reference page: III-53
(proposed units/existing LIH, market area units required)

Penetration Rate: 7.4% Reference page: III-52
(existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project: 322 Reference page: III-51

Distance (miles) to: (only fill this out at full market study)
<0.1 miles to grocery store (convenience store does not count)
1 miles to medical services appropriate and available to all prospective tenants
 (e.g., hospital, doctor offices, etc.) and are one of the following:

- ☒ A Project is located within 1½ miles of the specified amenity or essential service.
- ☐ Public or contracted transportation (not including taxi or school bus service) is reasonably available to the specified amenity or service (i.e., the Project is located within ¼ mile of fixed bus stop or on a same day call basis) (or letter from provider committing to establish such service); or
- ☐ Where applicable, the specified amenity or service is available via a no-charge delivery service to the Project Location (all distances must be as specified in the

All other services and distance to each.

	Other Service	Distance (mi)
1	Montana Highway 1	0.1 Mile
2	Montana Highway 48	4.1 Miles
3	Interstate 90	9.5 Miles
4	Anaconda Deer-Lodge Police Department	1.7 Miles
5	Anaconda Fire Department	1.1 Mile
6	Lincoln Primary (Grades Pre K-2)	1.7 Miles
7	Fred Moody (Grades 3-6)	1.4 Miles
8	Anaconda Junior/Senior High (Grades 7-12)	1.5 Miles
9	Stokes Market	Adjacent
10	Town Pump Anaconda	0.6 Mile
11	Thriftway Super Stops	0.8 Mile
13	Stokes Market	Adjacent
14	Albertsons	2.1 Miles
15	Main Street Corridor	1.2 Miles
16	True Value Hardware	Adjacent
17	Butte, Montana	25.3 Miles
18	Community Hospital of Anaconda	1.1 Miles
19	Southwest Montana Community Health	1.2 Miles
20	Albertsons	2.1 Miles
21	Washoe Swimming Pool	0.7 Mile
22	Washoe Park/Splash Pad	0.8 Mile
23	Montana Zipline Adventures	1.5 Miles
24	Anaconda Smoke Stack State Park	2.4 Miles
25	Old Works Golf Course	2.7 Miles
26	Montana Health Center	1.6 Miles
27	Pacific Pharmacy	0.5 Mile
28	CVS	2.1 Miles
29	Smelter City Senior Center	1.3 Miles
30	Southwest Montana Community Credit Union	0.6 Mile
31	First Montana Bank	1.2 Miles
32	Valley Bank	1.4 Miles
33	USPS	1.2 Miles
34	Hearst Free Library	1.3 Miles
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From: [Cameron Moylan](#)
To: [Hanson, Jason](#)
Subject: [EXTERNAL] Public Comment of Cameron J. Moylan encouraging Board to Deny grant application by The Housing Company
Date: Friday, July 18, 2025 3:18:04 PM

Good afternoon Jason,
Please present the following as my public comment to the Montana Board of Housing:

My name is Cameron Moylan, I am the chief executive officer of Deluxe Enterprises LLC. All we ever do as a company is purchase, renovate, and manage large buildings in the Butte/Anaconda area and I can safely say that Dwyer School is the best-built building of it's style that I have ever inspected. It is also in far better condition than any building we have ever purchased, and all of our buildings have financed their own repair and proven to be great investments. That is why I am extremely opposed to any proposal that would put Dwyer School in jeopardy and it is for this reason and the reasons below that I ask this board to deny The Housing Company's current grant application to your office:

1. The federal grants being applied for are intended to be used to create affordable housing. This proposal would destroy a 30+ Million dollar building, which is what it would cost at the very least to build Dwyer School exactly how it currently stands. Common sense dictates that the existing school building, which is much larger than the proposed development, could be converted into far more apartments for a fraction of the cost of building new. We have proven this "Law of Development" time and again with our past renovation projects. If The Housing Company genuinely wanted to create affordable senior housing, their proposal would include a conversion of the existing facility, which already lends itself perfectly to that use. The building is already ADA accessible and all floors are ground level with the exception of the library beneath the gym. The building is also unusually well designed for our climate compared to most buildings if it's size, all roofs being peaked and draining to exterior eaves rather than to interior drains. This design completely eliminates the expensive problems suffered by many flat-roofed buildings

2. The feasibility studies on Dwyer building that are being used to justify The Housing Company's destructive proposal are very conflicted to put it mildly; the studies being presented were conducted by the very same companies that are positioned to get much bigger contracts if the building is demolished vs. if the building is renovated. The companies producing these studies are also incentivized to find problems where there are none for the simple fact that they get paid much more for a longer report than they do for a clean bill of health.

3. Dwyer School is Anaconda's newest school building. It is structurally perfect and a very attractive facility. It is extremely well-built compared to other modern school buildings, being of slab-on-grade construction, it features impressive hard-fired brickwork and glue laminated beam construction. The houses that The Housing Company is asking you to finance are fake buildings by comparison.

4. Between 2008 and 2015, Dwyer School underwent a multi-million dollar renovation by School District #10, in which the following major improvements were made:

- New insulated TPO membrane roof.
- New boiler system and radiators
- New drain lines
- Library renovated
- Gymnasium renovated

5. There is a huge demand for the building. Renowned Anaconda sports coordinator Bill Hill was using the school's gymnasium for multiple sporting events every week until Anaconda-Deer Lodge County's chief executive's office ordered his organizations and several other groups to vacate the building in 2022. These sporting organizations in particular have been major advocates for reopening the school since that time.

6. There is no need to sell out to an out-of-state firm when there are multiple local individuals and reputable local organizations who have offered to purchase and reopen Dwyer School and put the building to good use, most notably a Butte-based charity called Care International. For information on

Care International's current effort to purchase and reopen Dwyer School,
please visit:
<https://www.gofundme.com/f/save-dwyer-school> [gofundme.com].

In conclusion, W.K. Dwyer School represents tens of millions of dollars of investment by local, state, and federal taxpayers. This demolition threat by this Idaho-based company is a major affront to those taxpayers, and to current and future generations in the Butte/Anaconda area. For the sake of the thousands of good people who contributed to the major effort to build Dwyer School, and for those Montanans who need it now and in the future, I ask that you deny this grant application by The Housing Company due to the destructive and harmful nature of their proposal.

Cameron Moylan
President, Deluxe Enterprises LLC
(406) 498-5560

From: [Lisa](#)
To: [Hanson, Jason](#)
Subject: [EXTERNAL] Dwyer School Anaconda MT
Date: Monday, September 8, 2025 12:19:01 PM

Dwyer School needs to be saved. It's a worthy building that should not be demolished. Up until a few years ago, the gym was hosting many events, organized by Bill Hill until the city/county turned off the utilities. It brought in revenue to a small town! People want this gym to be available to them again. There's also a library to be utilized. So many possibilities for this property! It has, in recent years, had a roof replaced and a new boiler system installed. The brick building construction is exceptional quality. That type of brick is heat absorbent, thus lowering utility cost. Also, fire resistant. Plus, it has 2.75 acres of land. There is no feasible reason this property should be torn down!. Reuse, repurpose and save the landfills. A site this potentially viable and valuable should go to a LOCAL (Montana) entity. Do not give it away to an out of state conglomerate such as "the Housing Co." of Boise, ID. They are a large entity with many properties throughout Idaho and one in Dillon, MT. Possibly, they are trying to expand into Montana and gobble up our lower/no cost properties to make a profit.

Please don't demolish Dwyer School! Keep this property local!

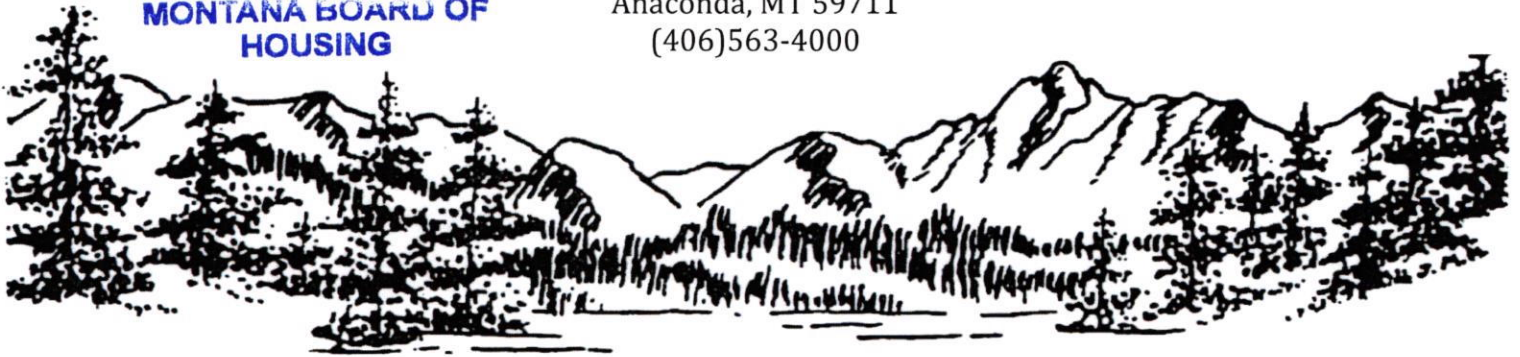
RECEIVED

APR 10 2025

**MONTANA BOARD OF
HOUSING**

Anaconda-Deer Lodge County

Courthouse
800 Main Street
Anaconda, MT 59711
(406)563-4000



April 4, 2025

Montana Board of Housing
P.O. Box 200528
Helena, MT 597620

RE: Housing Credit for Pintler Pines Senior Housing in Anaconda, MT

Dear Board Members and Staff:

Please consider this letter of support for the Pintler Pines senior housing project in Anaconda, Montana. ADLC is pleased to partner with The Housing Company for the Pintler Pines project to address affordable senior housing in our community.

Anaconda's outlook has greatly improved in recent years. New businesses are moving in revitalizing downtown and populating formerly vacant county land at the eastern entrance to town. After decades of a depressed economy following the 1980 closing of the Anaconda Smelter, the Smelter City is seeing new residents move to the area. With this new growth, housing, generally, and affordable housing, particularly, is at the forefront of concern. A 2024 Public Health Department Community Health Assessment¹ states that ADLC has experienced a rate of growth of 2.6% since 2020 with 24.9% of its population 65 years and older. The CHA found that the lack of adequate/affordable housing is a top three concern with 1 in 5 households having a severe housing problem.

Anaconda is in great need of senior housing. As an area with an older population, low housing stock, and limited options for those looking to downsize, the Pintler Pines Housing project as proposed with The Housing Company will address these challenges within our community. Using county land, existing NSP funds, and the assistance of The Housing Company, the Pintler Pines housing development will positively impact Anaconda's citizens with 24 affordable units for those in greatest need (very low- and low-income).

Thank you for your consideration of this phenomenal proposal for Anaconda residents.

Sincerely,

Bill T. Everett
Chief Executive Officer, Anaconda-Deer Lodge County

¹ <https://www.adlc.us/DocumentCenter/View/4706/-A-DLC-Community-Health-Assessment-2024>

Hanson, Jason

From: RJ9 Solutions LLC <RJ9Solutions@protonmail.com>
Sent: Wednesday, October 1, 2025 10:01 AM
To: Hanson, Jason
Cc: baileypaving@yahoo.com
Subject: [EXTERNAL] Purchase and Sale Agreement of WK Dwyer School
Attachments: 20251001_093255.jpg; 20251001_093318.jpg; 20251001_093341.jpg; 20251001_093402.jpg

Mr. Jason Hanson,

Please find attached our purchase and sale agreement. We understand the current process you are in and the October 20th meeting in Havre, Montana. We also understand that a more thorough and detailed discussion is needed and we are always open to collaborate. Our intent would be to keep the WK Dwyer School and renovate it for living space and a community space for events and services. We also intend to bring zero burden on the tax payers of Anaconda and the citizens of Montana as a whole.

I have sent a copy of the same purchase and sale agreement to Mr. Carl Hamming (Planning Director of Anaconda). WK Dwyer School is a beautiful building that could serve the community of Anaconda for decades to come. I respectfully ask that this offer be made public at the October 20th meeting in Havre and considered an alternative plan for our great state of Montana and the community of Anaconda.

Respectfully,
Ryan Johnerson
RJ 9 Solutions LLC

Ryan Johnerson
RJ 9 Solutions LLC
74 W Kimberly Ct.
Bozeman, MT 59718
rj9solutions@protonmail.com
406.570.8211
Date: 9.30.25

Joe Bailey
Bailey Enterprises of Montana LLC
P.O. Box 254
Belgrade, MT 59714
baileypaving@yahoo.com
406.581.9500

To:

The Honorable Members of the Montana Board of Housing, the Anaconda City Commission and Planning Board
c/o Mr. Jason Hanson and Mr. Carl Hemming

Re: Offer to Purchase WK Dwyer Elementary School, 1601 Tammany Street, Anaconda, MT 59711

Dear Members of the Montana Housing Board, the Anaconda City Commission, and Planning Board

I am submitting this formal offer to purchase the property known as **WK Dwyer Elementary School, located at 1601 Tammany Street, Anaconda, Montana 59711**, for the total sum of **Two Hundred Thousand Dollars (\$200,000.00)**.

This offer is made with the following terms and conditions:

1. **Purchase Price:** The purchase price shall be \$200,000.00, payable at closing.
2. **No Burden to Taxpayers:** This transaction will place **no financial burden or liability upon the taxpayers of Anaconda-Deer Lodge County or the State of Montana**. All costs associated with the purchase, transfer, and future development of the property shall be borne entirely by the buyer.
3. **Delinquent Taxes:** The buyer agrees to bring current any and all delinquent property taxes or associated assessments on the property as part of the closing.
4. **Rezoning Consideration:** The buyer respectfully requests that this transaction and subsequent use of the property be subject to the **same rezoning consideration recommended for approval by the Anaconda-Deer Lodge County Planning Board on June 9, 2025**. Specifically, this includes rezoning from **Public–Semi Public (PSP)** to **High Density Residential Development District (HDRD)**, without restriction by the former PSP zoning guidelines.

5. **Special Permitting / Major Development Permit:** As a condition of this purchase, the buyer requests that any necessary **special permitting and/or a Major Development Permit (MDP)** be granted to allow for **day care/other services and the hosting of sporting/community events in the gymnasium and the space below the gymnasium.** These community-serving uses will complement future residential development and ensure that the property continues to provide meaningful benefits to the residents of Anaconda.

This purchase is intended to support the community through adaptive reuse of the site, in alignment with both Anaconda's long-term development goals and Montana's broader housing priorities.

I appreciate your consideration of this offer and look forward to working cooperatively with the Housing Board and the City Commission to ensure a successful transfer and beneficial redevelopment of this property.

I would respectfully ask that this offer be presented at the upcoming meeting in Havre Montana and made part of the public record on October 20, 2025.

Respectfully submitted,
Ryan Johnerson
RJ 9 Solutions LLC

Joe Bailey
Bailey Enterprises of Montana LLC

From: [RJ9 Solutions LLC](#)
To: [Carl Hamming](#)
Cc: [Hanson, Jason](#); baileypaving@yahoo.com
Subject: [EXTERNAL] Re: RE: Informal Offer for WK Dwyer School
Date: Thursday, October 2, 2025 9:17:26 AM

Mr. Hamming,

Thank you for your reply. As a life long Montanan and the current baseball coach for the Belgrade Bandits, I have always enjoyed my experiences traveling to many of the small towns in Montanan. Anaconda particularly has a special place in my heart and has provided a lot of great memories. I for sure will continue to look for opportunities in Anaconda.

In regards to the Dwyer school, I have been reading through the minutes and meeting notes and I was hoping you could help me out. It looks like the the offering period ended before any proposal was in. Was there a special meeting that was opened after the fact and then shortly closed after the acceptance of the current offer? If you could provide any information, I would greatly appreciate it. If that was the case, would my offer be considered on the same grounds? Meaning that both, any and all offers were presented after the offering period and should be given a fair look. In looking at what is being proposed compared to what I am offering, they are drastically different. WK Dwyer School is a beautifully constructed building that has decades of life left in it. If at all possible, I would humbly ask for the planning board, the Anaconda commission and the Montana State Housing Board to look closely at both options. If anything, I would like a public comment made at the October 20th meeting in Havre to atleast acknowledge a different vision for the Dwyer School.

I really do appreciate you taking the time to respond to me. I hope I can work with you, the planning board, the Anaconda commission and the State housing board in the future.

Regards,
Ryan Johnerson
RJ 9 Solutions LLC
406.570.8211

----- Original Message -----

On 10/2/25 7:41 AM, Carl Hamming wrote:

Hi Ryan,

As we discussed on the phone, the county is currently under contract with The Housing Company after going through the public RFP process. We have partnered with them to develop the property for affordable senior housing, but we do sincerely appreciate your interest in the property and Anaconda community. Please let us know if other project ideas present themselves within Anaconda-Deer Lodge County in the future.

Best,

Carl

Carl Hamming

Planning Director
Anaconda – Deer Lodge County
chamming@adlc.us
Office: 406.563.4015
Cell: 406.560.8437

From: RJ9 Solutions LLC <RJ9Solutions@protonmail.com>
Sent: Wednesday, October 1, 2025 12:27 PM
To: Carl Hamming <chamming@adlc.us>; Montana Board Of Housing (Jason Hanson) <jason.hanson@mt.gov>
Cc: baileypaving@yahoo.com
Subject: Informal Offer for WK Dwyer School

You don't often get email from rj9solutions@protonmail.com. [Learn why this is important \[aka.ms\]](#)

Mr. Jason Hanson and Mr. Carl Hamming and whom else this offer concerns:
Please see a more informal offer for the WK Dwyer School. The intent of this offer is to create conversation and debate of the best use of the school for the community of Anaconda and the state of Montana. I am respectfully requesting this and/or the more formal offer to be put into the public record when the meeting in Havre takes place on October 20, 2025.
Regards,
Ryan Johnerson
RJ 9 Solutions LLC

Sent with [Proton Mail \[proton.me\]](#) secure email.

August 1, 2025

Montana Board of Housing
PO Box 200528
Helena, MT 59620-0528

Dear Board of Housing:

The applicant submits this letter and all attachments in accordance with the requirements of the 2026 Qualified Allocation Plan (QAP) for the submission of a 9% Low Income Tax Credit (LIHTC) Application.

Executive Summary:

Wildflower Developers LLC, a partnership between United Housing Partners LLC (UHP), Bouchee Development LLC, and the Missoula Housing Authority (MHA) proposes to acquire and rehabilitate 96 apartments at 1250 34th St., Missoula, MT 59801 which are currently owned and managed by MHA but have lost affordability restrictions and are in desperate need of repairs and efficiency upgrades. In 2024, MHA was able to refinance the property in order to keep it affordable, but without a tax credit allocation, MHA has no choice but to sell the project at market value, which would cost Missoula nearly 100 affordable dwellings, currently housing 171 people.

The scope of the rehab is beyond the limits of a 9% Low Income Housing Tax Credits (LIHTC) and will require a twinned 4% / 9% structure in order to create enough equity and raise the debt necessary to fully update and rehab the property for the renewed term of income restrictions.

The 9% LIHTC project, Wildflower 9 Apartments (WF 9), will include 40 dwellings and be separated from the 56 dwellings of Wildflower 4 Apartments (WF 4) through a condo structure. The table below shows how the units are allocated to meet the 60% AMI average requirement for Income Averaging in accordance with the 2026 Qualified Allocation Plan (QAP).

Project & Unit Mix Summary					
	Bedrooms	Baths	Sqft	60% Units	Total Units
9% Project	0 Bedroom	1	502	8	8
9% Project	1 Bedroom	1	582	8	8
9% Project	2 Bedroom	1	804	12	12
9% Project	3 Bedroom	2	1,117	12	12
TOTAL 9% Project		52	31724	40	40
	Bedrooms	Baths	Sqft	60% Units	Total Units
4% Project	0 Bedroom	1	502	12	12
4% Project	1 Bedroom	1	582	12	12
4% Project	2 Bedroom	1	804	24	24
4% Project	3 Bedroom	2	1,117	8	8
TOTAL 4% Project		64	41,240	56	56
TOTAL All Buildings		116	72964	96	96

Financial Plan:

WF 9 and WF 4 will be separated through a condo association and financed and managed as two distinct projects, utilizing their own financing sources in the two capital stacks. Execution of the complex financial structure required for a 9%/4% twinned deal to preserve these crucial homes for Missoula's community led MHA to bring in the expertise of both Tyson O'Connell (UHP) and Mike Bouchee (Bouchee Development), two of the region's most experienced LIHTC developers. Both developers live in Missoula and immediately recognized the importance of preserving these units as early as 2023 when the rental restrictions were expiring and MHA asked the Montana Board of Housing (MBOH) to allow for a rent raise exception in order to

eliminate the significant loss to lease from having under market rents in order to raise enough debt and complete a successful LIHTC rehabilitation and preservation of the 96 affordable apartments.

The Project delayed application in 2024 due to the development team lacking the ability to close the financial gap with existing soft sources or build a feasible model. However, with MBOH raising the equity limits on 9% allocations for 2025, the applicants have found a creative path forward by utilizing MHA's general contracting experience and \$2,000,000 in Missoula Impact Funds to close the financial gap. The goal of this financial plan allows the Project to fully leverage the impact of the noncompetitive 4% credits and the seller notes to stretch the greatest impact of a single \$8,500,000 9% award into preserving the most units possible.

Justification for Need:

Missoula County has struggled to keep pace with demand for quality affordable housing. While numerous projects have been built over the past decade, preservation of existing dwellings remains an important component in meeting the community's needs, particularly with the Johnson Street homeless shelter (see Johnson Street Homeless Shelter) set to close in August 2025, placing nearly 150 more people on the streets, seeking a safe place to stay. According to Missoula's 2024 At-Risk Housing Coalition (ARHC) Needs and Gaps Analysis, "a total of 634 households need any permanent housing solution" (see Needs-and-Gaps). The MHA has had an admission preference for homeless households since 2005. This means projects owned and operated by MHA are even more likely to have direct impact on those not able to access limited transitional housing opportunities.

A mini market study carried out by Prior & Associates for the sponsors (see 4_MiniMktStudy_Wildflower), found Missoula still has a shortage of 2,159 affordable units. This is supported by Wildflower's 0% vacancy. Since 2010, Missoula has added an average of 371 households per year, while Missoula County gained an average of 498 households annually. This means that demand continues even as building affordable supply has become even more difficult. Rehabilitating and retrofitting existing properties to add to the community's overall supply is a more cost-effective method, especially when given the chance to leverage much of the improvements to undersubscribed 4% credits and bonds.

With tariffs expected to put further pressure on the cost of new construction, those with the lowest income will continue to have the fewest housing options. Wildflower Apartments will allow the 171 individuals and children currently living in these dwellings to experience like new living conditions without having to move or face rent raises. An award also adds decades of affordability to 96 homes, rather than have them lost to market rate development. The clock is ticking for this project and its residents.

The Project will be brought into compliance with QAP standards and demonstrate clear alignment with the priorities and goals of Missoula County, the City of Missoula, and Montana Housing.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tyson O'Connell", with a stylized flourish at the end.

Tyson O'Connell

Member of United Housing Partners LLC, managing member of Wildflower Developers LLC

SUBJECT PHOTOGRAPHS



Subject Signage



View of the Subject



View of the Subject



View of the Subject



View of the Subject



View of the Subject

Wildflower Apartments

Missoula Housing Authority | United Housing Partners | Bouchee Development

9% Tax Credit Application

August 4, 2025

Montana Housing

301 S Park Ave

Helena, MT 59620-0528



MISSOULA
HOUSING AUTHORITY



UNITED HOUSING PARTNERS



Bouchee
DEVELOPMENT

EXECUTIVE SUMMARY

Wildflower 9 Housing Associates LLLP and Wildflower 4 Housing Associates LLLP propose to rehabilitate 96 affordable units in Missoula, Montana known as Wildflower Apartments (the Project) by twinning 9% and 4% Low Income Housing Tax Credits (LIHTCs) along with \$2,000,000 in Missoula Impact Funds, a private loan, and sizeable seller notes retained by the Housing Authority. This unique financing structure will allow the Board of Housing to leverage a single 9% LIHTC award to preserve 96 LIHTC homes that are at immediate risk of loss in a highly desirable, urban neighborhood in Missoula with few infill opportunities.

The applicant, Wildflower Developers LLC, a partnership between United Housing Partners LLC (UHP), Bouchee Development LLC (Bouchee), and the Missoula Housing Authority (MHA) proposes to execute an acquisition and rehabilitation (acq-rehab) for 96 studio, 1-, 2-, and 3-bedroom apartments at 1250 34th St., Missoula, MT 59801, which are currently owned and managed by MHA, have already lost their LIHTC affordability restrictions, and are in desperate need of repairs and efficiency upgrades. The Project will include nearly \$16mm in acquisition costs and \$7.5mm in hard construction expenses to completely renovate the interior and exterior of every building and unit and bring them to like-new condition. The sources and uses for the Project are shown below (see *Figure 1 and Figure 2*).

Figure 1: Financial Sources & Uses

<u>SOURCES OF FUNDS</u>	<u>Total</u>	<u>4% Project</u>	<u>9% Project</u>
First Mortgage	\$7,588,878	\$5,559,837	\$2,029,041
Seller Notes	\$7,588,608	\$4,426,688	\$3,161,920
Missoula Impact Fund 4%	\$2,000,000	\$2,000,000	\$0
LIHTC Equity (Federal)	\$11,530,286	\$4,798,621	\$6,731,665
Interim Income	\$1,440,643	\$619,899	\$820,744
Bond Reinvestment Income	\$550,682	\$550,682	\$0
Bond Reinvestment Offset	-\$550,682	-\$550,682	\$0
Additional Deferred Dev Fee	\$22,527	\$0	\$22,527
Totals	\$30,170,942	\$17,405,045	\$12,765,897

Figure 2: Financial Uses

<u>USES OF FUNDS</u>	<u>Total</u>	<u>4% Project</u>	<u>9% Project</u>
Acquisition-Related Costs	\$15,833,203	\$9,236,035	\$6,597,168
Construction-Related Costs	\$6,702,128	\$3,449,587	\$3,252,541
Soft Costs	\$901,486	\$524,200	\$377,286
Carrying Costs - Interest, RE/Tax	\$1,060,778	\$520,252	\$540,526
First Mortgage Costs	\$153,688	\$108,398	\$45,290
Bond Issuance Costs	\$377,288	\$377,288	\$0
Subordinate, Constr. Loan Costs	\$201,664	\$121,804	\$79,860
Equity & LIHTC-Related Costs	\$273,430	\$117,430	\$156,000
Reserves & Escrows	\$427,985	\$249,658	\$178,327
Bond Interest in Basis During Construction	\$550,682	\$550,682	\$0
Max Developer Fee	\$3,688,611	\$2,149,711	\$1,538,900
Totals	\$30,170,943	\$17,405,045	\$12,765,898

PROJECT DESCRIPTION

Project's Background, Objectives, Location, Beneficiaries and Physical Details:

The Project was first purchased by MHA in 2017 through a competitive bidding process that kept the apartments from falling into the hands of a market rate developer. The affordability restrictions were set to expire, and the property was being marketed toward private bidders, but the Housing Authority heard about the deal through word of mouth and was able to put together a successful purchase offer quickly. There was not enough time to fully vet a plan for long-term preservation. Former Executive Director for MHA, Lori Davidson said at the time, "It was such an important project to preserve that we put in a bid. They were accepting bids from both market-rate developers and nonprofits. We knew it was going to be incredibly competitive, so we bid the asking price." (missoulacurrent.com/missoula-housing-purchase).

The goal then became to use 4% tax credits to complete an extensive rehab without facing the competitive 9% application process, but changes to construction costs and finances caused by the COVID-19 pandemic put such a rehab out of reach as a straight 4% deal. In 2023, with the help of UHP and Bouchee, MHA was able to refinance the property in order to keep it affordable, but without a 9% LIHTC allocation, MHA now has no choice but to sell the project as an unrestricted market rate property at market value, which would cost Missoula nearly 100 affordable dwellings, with nearly no current or historical vacancy, currently housing 171 people. This would put these individuals and families out on the street or trying to find other rentals that may charge 30% or more for rent.

Figure 3: Project Site Map and Building Mix



MHA's Sam Oliver first approached UHP's Tyson O'Connell and Mike Bouchee of Bouchee Development on how to save Wildflower shortly after taking over as Executive Director in early 2023. Both developers live in Missoula and immediately saw the importance of preserving the property. The team examined the profit and losses and other financial data and put their heads together to form a long-term plan for preservation.

That same summer, the team met with Montana Board of Housing (MBOH) staff to be sure they were aware of the threat and to ask for an exception to annual rent increases in order to minimize the loss to lease and increase rents enough to justify the debt required to both pay off the existing adjustable rate mortgage (ARM) and rehabilitate the property. Unfortunately, neither a 9% award, nor a twinned structure seemed feasible given the early proposals provided by general contractors specializing in occupied rehabs.

The Project delayed application in 2024 due to the management team still working to close the loss to lease and the development team lacking the ability to close the financial gap with

existing soft sources or build a feasible model. However, with MBOH raising the 9% LIHTC award allocations for 2025, the applicants have found a creative path forward by utilizing UHP and MHA's general contracting experience, and \$2,000,000 in Missoula Impact Funds to close the financial gap. The goal of this financial plan allows the Project to fully leverage the impact of the noncompetitive 4% credits and the seller notes to stretch the greatest impact of a single \$8,500,000 award of 9% LIHTCs into preserving the most units possible.

The proposal by Wildflower Developers LLC aims to preserve and rehabilitate these homes through an innovative "twinned" financing structure using both 9% and 4% Low Income Housing Tax Credits (LIHTCs), \$2M in Missoula Impact Funds, an Alternative Energy Efficiency Revolving Loan through the Department of Environmental Quality (DEQ), private financing, and retained seller notes. Costs for the rehab will be managed by using MHA staff's construction management experience and UHP's staff architect along with a procurement services consultant that has overseen supply and bidding on rehabilitation for over 450 units over the past five years alone.

UHP and Bouchee Development will lead the development and underwriting, while MHA will serve as the general partner of the limited partnership owners for both the 9% and 4% deals, which will be separated through a condo association. The sources and uses have been well vetted and the private mortgage has been given a preliminary financing commitment from Glacier Bank and tax credits modeled by Enterprise, a leader in twinned structures, having already executed two similarly structured deals in the past two years with UHP.

Wildflower Apartments (the Project) already includes an onsite leasing office, maintenance staff, playground and BBQ patio for gatherings, private patios and balconies for each unit, onsite laundry (see *attachment 19_ParkLaund_WF*), parking (see *attachment 19_ParkLaund_WF*), and leasable garages. The 6-acre parcel is sizeable, especially when compared to the more recent density challenges faced to build housing in Missoula. The buildings are each two-story walk-ups with eight units per building.

The acquisition will involve paying off the current adjustable-rate debt, bringing all units and shared amenities up to modern standards for safety, accessibility, and energy efficiency, and renewing the long-term affordability restrictions, in accordance with the Montana Board of Housing ("MBOH") 2026 QAP Development Evaluation Criteria, as detailed in this narrative and supporting documents.

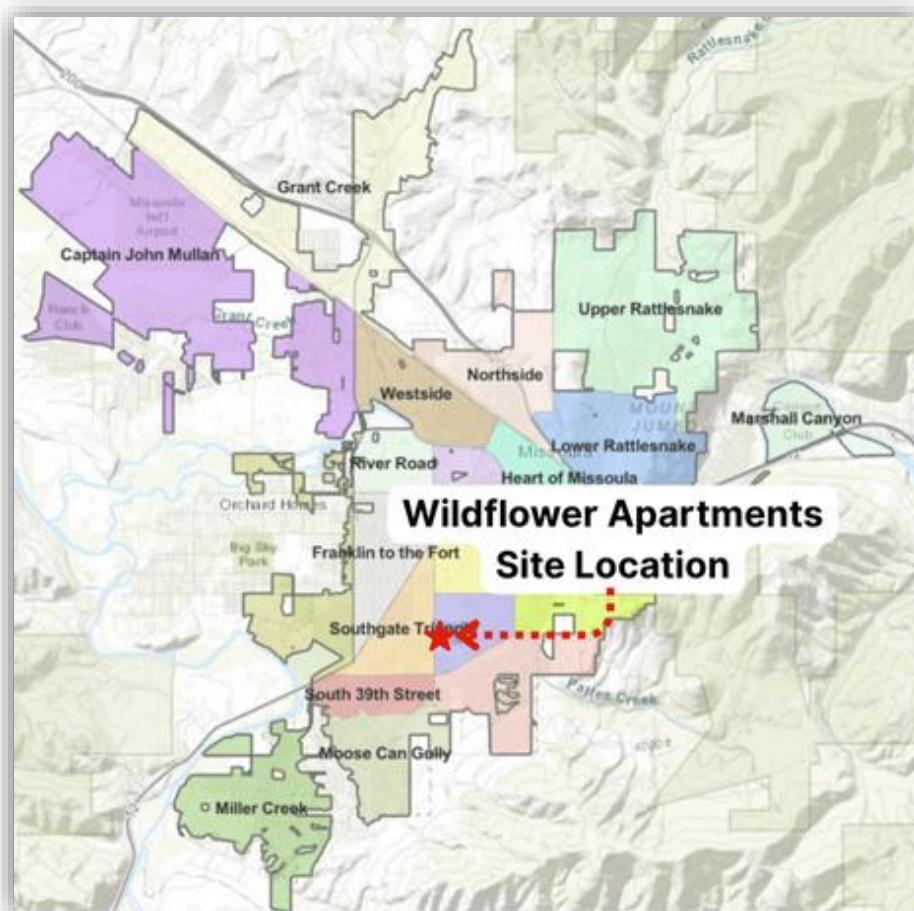
FACTORS CONSIDERED BY THE BOARD

PROJECT CHARACTERISTICS

a. Geographic Distribution/Amenities

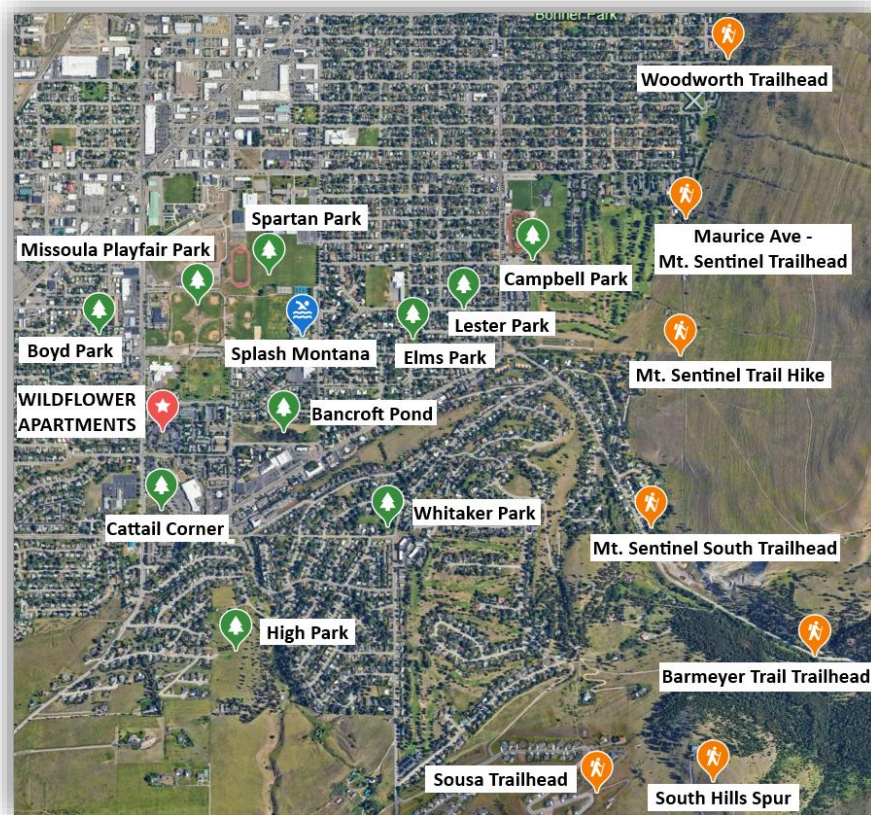
Wildflower Apartments enjoys a prime location in Missoula's Lewis and Clark neighborhood, nestled at the base of the South Hills, offering residents both scenic beauty and urban convenience. Situated on 34th Street, directly across the street from MHA's home office, the property is within walking distance of Albertson's grocery store, the Southgate Mall, the YMCA, and several restaurants, making daily errands and recreation easily accessible. It's also located along a city bus line, providing reliable transit options to downtown Missoula and the University of Montana that residents already take consistent advantage of utilizing. The area is bike-friendly and features nearby parks and trails, blending natural charm with practical connectivity.

Figure 4: Project Site Location



The neighborhood is an ideal location for preserving affordable apartments due to its unique blend of accessibility, community resources, and livability. Nestled between the Southgate Triangle commercial area (west) and the University District (east), the Lewis and Clark Neighborhood offers proximity to everything Missoula has to offer: parks and recreation, nature, shopping, transit, medical clinics and offices. Situated near major transit routes, grocery stores, elementary and high school schools, and recreational facilities like the YMCA and several city parks, the area offers residents convenience without sacrificing comfort. Its walkable streets and bike-friendly infrastructure promote sustainable living, while the area's intimate, residential character fosters a strong sense of community. Preserving the Wildflower Project can be done for a fraction of what it would cost to build new housing in the neighborhood, even if an infill opportunity ever presented itself. This preservation ensures that working families, disabled individuals, and seniors that are long term residents of this community can continue to thrive in a complex that supports both economic diversity and quality of life.

Figure 5: Parks and Trails Map



Wildflower Apartments Site Location

Trails
Bicycle-friendly roads
Dedicated lanes
Dirt/unpaved trails

8 of 24

Figure 7: Amenities Chart

Distance From Local Services			
Map #	Name	Service	Distance
1	NE Corner of S. Russell St & McDonald Ave	Bus Stop	0.12 miles
2	Russell Elementary School	Education	0.20 miles
3	Albertsons	Grocery Store/Pharmacy	0.21 miles
4	Jacksons	Gas Station	0.24 miles
5	Christian Life Center	Church	0.26 miles
6	Boyd Park	Recreation	0.29 miles
7	Farmers State Bank	Financial	0.58 miles
8	Sentinel High School	Education	0.70 miles
9	Western Montana Clinic - Now Care	Urgent Care	0.71 miles
10	USPS	Mail	0.98 miles
11	Meadow Hill Middle School	Education	1.15 miles
12	Community Medical Center	Hospital	1.64 miles
13	Missoula Public Library	Library	2.51 miles

Figure 8: Amenities Map



b. Rural or Urban Location

Wildflower currently serves as many as 171 individuals in an urban location within the Missoula municipality. Missoula has a population of 79,996 as of 2025. It is the county seat of Missoula County, which has a population of 123,525 (worldpopulationreview.com/us-cities/montana/missoula). The city itself has experienced a population increase of 7.52% from the 2020 census. Missoula is one of Montana's three entitlement communities, receiving federal funds directly rather than through competitive processes, and the city has long been a hub for those struggling with homelessness or other financial burdens due to its status as a long-term beacon of supportive causes and services. Unlike Bozeman, Great Falls, or Kalispell, Missoula has few infill opportunities, making preservation even more critical as a tool in solutions to the affordability challenges faced.

The city has experienced a slowing in that growth over the past year, similar to many Montana counties, with a current annual growth rate of approximately 1.42% (worldpopulationreview.com/us-cities/montana/missoula). But the high cost of land and construction has continued to make housing expenses rise as supply has not been able to keep up with demand. Even though the average income in Missoula is \$92,000 a year, this number is propped up by a small number of high earning individuals and families. Nearly 49% of households earn less than \$50,000, and over a third of households are considered cost burdened ([Living in Missoula, Montana: Pros and Cons, Cost of Living, and Crime Rate](#)). The current poverty rate of 12.25% is amongst the highest in the state (www.city-data.com/poverty/poverty-Missoula-Montana.html). Of this population, over 85% are renters.

c. Overall Income Levels Targeted by the Project

Wildflower Apartments will rehabilitate 96 affordable homes in Missoula. As shown in Figure 9 below, the Project will include a mix of 0-, 1-, 2-, and 3-bedroom options. All of these homes will be rent-restricted, and between the two condos the Project will serve a wide range of beneficiaries with all dwellings income-restricted at or below 60% AMI. Through the use of Income Averaging (IA), the Project will have a weighted average income restriction of 60% across all dwellings.

Figure 9: Project Unit Mix Summary

Project & Unit mix Sumamry				
Project	Bedroom	Bath	Sq. Ft.	60% AMI Units
9%	0	1	502	8
9%	1	1	582	8
9%	2	1	804	12
9%	3	2	1117	12
Total 9% Project	68	52	31724	40
Project	Bedroom	Bath	Sq. Ft.	60% AMI Units
4%	0	1	502	12
4%	1	1	582	12
4%	2	1	804	24
4%	3	2	1117	8
Total 4% Project	84	64	41240	56
Totals	152	116	72964	96

According to the third-party market study completed on behalf of the applicant, “the rental market within Missoula is good. All of the comparables utilized in the analysis have stable occupancies, and three of the LIHTC properties maintain wait lists. This is a good indicator of demand of affordable housing in Missoula.” (see page 69, paragraph 3 of attachment 13_FullMktStudy_WF), and “The Subject’s annual capture rates for affordable units are low, demonstrating the demand for affordable housing within the PMA. This is a positive indicator and indicates that the Subject serves an important need in the community for affordable housing.” (see page 69, paragraph 4 of attachment 13_FullMktStudy_WF).

The 9% Low Income Housing Tax Credits (LIHTC) project, Wildflower 9 Apartments (WF 9), will include 40 dwellings and be separated from the 56 dwellings of Wildflower 4 Apartments (WF 4) through a condo structure. Figure 9 above shows how the units are allocated to meet the 60% AMI average requirement for Income Averaging in accordance with the 2026 Qualified Allocation Plan (QAP).

The unit mix for Wildflower is based on a mix of third-party reporting and data on need compiled by MHA, in order to benefit the most disadvantaged members of the Missoula community, including those that are currently experiencing homelessness, both now and decades into the future.

Wildflower Apartments currently has no vacancies, and upon rehabilitation can provide safe, dignified, long-term housing for as many as 296 individuals at a time when fully occupied according to HUD Guidelines for minimum and maximum individuals per household (see *Figure 10 Beneficiaries Served* below).

Figure 10: Beneficiaries Served

Beneficiaries Served - Wildflower Apartments					
HUD Guidelines				Persons Household	
Bedroom Size	Min	Max	Average	# of units	Avg Persons per unit
0	1	2	1.5	20	30
1	1	3	2	20	40
2	2	5	3.5	36	126
3	3	7	5	20	100
Total				96	296

These **aren't statistics**. These are **real families** and individuals in the Missoula community. UHP has a reputation for modeling accurately, closing effectively, minimizing construction expenses, and building timeless, efficient buildings on time. Once rehabbed, there will be no way to tell Wildflower Apartments from a market rate apartment complex. The preservation will also give MHA the opportunity to project-base future vouchers into the Project, should the need arise. The tenants love this community and came out in large numbers to ask both the owners and developers questions during the public meeting. There is a vested interest from MHA, the tenants, and the City, as illustrated by the commitment of impact funds.

d. Need for Affordable Housing in the Community

Missoula is struggling to keep up with its demand for affordable housing. According to the city's 2024 Housing Landscape Assessment, Missoula needs to produce 1,100 to 1,500 housing units annually to meet current and future demand, yet only 603 units were permitted in 2023 (www.prohousingmissoula.org/policy). This shortfall has contributed to skyrocketing rents and a growing number of cost-burdened households over the past five to ten years, particularly among renters earning below 80% of the Area Median Income (AMI). The city estimates a deficit of 2,000 to 4,000 units in this demographic, underscoring the urgency for both new construction and preservation of existing affordable stock (www.prohousingmissoula.org/policy).

Preservation is even more vital than new construction, as every unit currently housing a qualifying individual or family is having an impact now and not in the future. Projects like Wildflower that are at risk of being lost due to expiring affordability restrictions and redevelopment pressures need to be of the highest priority. Trading future units for those lost is not sound math.

The City has supported resident-led acquisitions of mobile home parks and cooperatives, preserving dozens of homes for low-income families, but these can still be more expensive than apartments in the long term due to unknown costs for shared expenses by owners. Still, these efforts, in conjunction with others, reflect a growing recognition that maintaining affordability in existing units is often more cost-effective and immediate than building new ones from scratch.

To address these challenges, Missoula has implemented a multi-pronged housing strategy through its plan *A Place to Call Home*, which includes leveraging the Affordable Housing Trust Fund, reforming zoning codes, and incentivizing development of income-restricted units. However, progress remains constrained by limited funding, high land costs, and outdated zoning regulations that restrict multi-unit development on most city land ([Summary of Missoula's new strategic plan to meet the city's housing needs | Montana Budget & Policy Center](#)) (see *attachment 37_c_AffHsingStock_APlacetoCallHome*). Without a 9% award from the Board along with substantial, sustained investment from the community, Missoula risks deepening its housing crisis and displacing more residents from the city's core.

According to the Full Market Study for Wildflower Apartments (see *page 67 of attachment 13_FullMktStudy_WF*), Missoula requires 3,569 rental units for households earning 60% or less of the Area Median Income (AMI). The projected capture rate is just 0.4%, meaning Wildflower's post-renovation units represent a tiny fraction of total unmet demand. This clearly reinforces that preserving Wildflower Apartments is not only viable—it's an essential intervention in a market where affordable housing is scarce and urgently needed.

e. Rehabilitation of Existing Low-Income Housing Stock

As already stated, Wildflower has lost its affordability restrictions. MHA is unable to rehabilitate the complex without a 9% award. But a 9% award is not enough. This is the reason UHP was brought into the Project. The scope and cost of the rehab requires a twinned structure, along with \$2,000,000 from the Missoula Impact Fund. Without the full scope, MHA will have to sell this project to a market rate owner, just as almost happened in 2017

before MHA stepped in. Such a transition threatens the displacement of 171 residents and the loss of 96 affordable units in a city already facing a severe housing shortage.

Preserving Wildflower through rehabilitation aligns directly with the Montana Board of Housing's stated goal of maintaining and improving existing low-income housing stock. This is the most cost-effective use of available funding. Rehabilitation would not only restore affordability but also extend the life of a property that has historically served vulnerable populations, including seniors, families, and individuals with disabilities. It is a cost-effective strategy compared to new construction, especially given its central location, existing infrastructure, and proximity to transit, schools, and services.

Wildflower fits the goals of the 9% LIHTC program perfectly: it has served as a cornerstone of Missoula's affordable housing landscape and now needs targeted investment to preserve its affordability and livability. Rehabilitation would ensure continuity of housing stability for current residents while advancing the Board's mission to support safe, accessible, and affordable homes across Montana.

Preserving Wildflower Apartments is critically important given Missoula's tight rental market, high demand for affordable housing, and the recent closing of a neighborhood homeless shelter. With a vacancy rate of just 3.0% and comparables reporting fast lease-ups and waitlists, the need for stable, income-restricted units remains urgent. Wildflower's planned renovation ensures that 96 existing LIHTC units — serving families earning 60% AMI or less — will remain affordable, while minimizing displacement through tenant retention strategies. The market study shows Wildflower's absorption and capture rates are low, confirming that it fits seamlessly into the community without adding strain to the housing supply. Maintaining these units protects housing stability for vulnerable households while helping Missoula meet its broader equity and affordability goals (*see page 55-56 of attachment 13_FullMktStudy_WF*).

Preserving Wildflower means protecting 96 deeply affordable homes in a city where demand far outweighs supply. It anchors equitable development, prevents displacement, and ensures families earning $\leq 60\%$ AMI have stable housing — all while relieving pressure on Missoula's overwhelmed rental market.

f. Sustainable Energy Savings Initiatives

The Wildflower updates and appearance will be designed by UHP Design to create a beautiful, modern, energy efficient renovation to maximize utility cost reduction and minimize environmental impacts. One advantage of utilizing UHP's in-house architect and having MHA overseeing construction is that it allows the development team to take advantage of design alterations made to save energy and make improvements to plans in real time. Another advantage is the savings on design and general contractor fees that can be applied back into the Project.

Upon receipt of funding and initiation of final project design, the architects and the development team will refine energy efficiency and energy generation options for the Project using modeling and suggestions provided by a third-party energy use engineer. Every effort to identify opportunities to add energy efficient components and on-site renewable energy generation capabilities, including a review of the planning tools at www.nrel.gov.

The developers have been working closely over the past two years with DEQ's energy resource professionals to qualify for the Energy Efficiency Revolving Loan Funds which were recently authorized through House Bill 4. The team made sure the CNA included Department of Energy Building Synch tools to meet all federal requirements for retrofitting upgrades and solar impact analysis, and if awarded a 9% award, the developers plan to apply for the maximum amount in low interest loans for energy efficiency and retrofitting in December.

The following is a summary of proposed initiatives to reduce future energy costs. Additional commitments can be found on the HC Design tab of the Uniform Application (see *attachments 20250804_Wildflower9.xlsx and 20250804_Wildflower4.xlsx*), and a letter of commitment from the architect can be found in the application attachments (see *attachment 37_h_GreenEnergy_WF*).

Energy Savings Measures

- Energy Star Appliances
 - Refrigerator/Freezer, Range/Oven, Dishwashers
 - Energy star ceiling fans – living rooms only
 - Energy Star Bathroom Exhaust Fans
- Energy Conservation
 - LED exterior lighting
- Water Conservation (applies only if replacing)
 - Water flow saving devices: kitchen faucets=1.5gpm, shower heads=1.5gpm, other faucets=1.0gpm
 - Water closet = 1.28 gpf
 - Rain sensing landscape irrigation system or equivalent

- Water efficient landscaping entire project
- On-site recycling of construction materials during construction for cardboard and wood at a minimum.

Minimum Project Requirements

- Meet adopted IECC for envelope requirements for Insulation and Windows U Value
- LED Lighting on exterior and CLF or LED bulbs interior (where replaced)
- Toilets = min 1.6 gpf (with 3” flapper) • Carpet = 26 oz • Hard Surface Flooring = 12 mil min.
- Cabinets – where new, NO added Urea Formaldehyde, AWI Quality Standard compliant (where • replaced)
- Carbon Monoxide / Smoke detectors – and as required by the AHJ

The project incorporates comprehensive green initiatives that prioritize energy efficiency, indoor air quality, and environmental safety. It will meet Montana IECC standards through Blower Door testing conducted by a certified energy consultant, ensuring 50% of existing units comply with air change requirements. A healthy interior environment will be maintained by using low-VOC materials and enforcing a smoke free policy across all residential and common areas. Buildings are equipped with powered radon mitigation systems exceeding passive requirements, and all asbestos-related activities will follow the most stringent federal, state, and local regulations, with professional documentation provided to confirm compliance.

g. Financial & Operational Ability if Applicant to Fund, Complete and Maintain the Project

The applicant has both the financial and operational ability to fund and operate this project. Missoula Housing Authority already owns, operates, and manages Wildflower along with over 700 affordable units across 8 projects.

The true question to be asked is whether or not MHA have the financial ability to continue to operate the property given its current income and expenses, in its current condition of the buildings, given the large amount of debt it is currently carrying from the adjustable rate mortgage (ARM) that was required to refinance the property in 2023, especially knowing the affordability restrictions have expired and the value of the property if it were to be converted to market rate.

As previously explained, when MHA first bought the project, there wasn’t enough time to fully plan the long-term conversion. Then COVID turned the world upside down, and construction costs skyrocketed, shrinking the number of units that could be rehabbed on a

4% tax credit allocation. When MHA refinanced the project, they still hoped this project would go before the board that year. Unfortunately, the scope and cost of the rehab, along with the loss to lease required two years to unwind and prepare for this application. Now is the time to protect this housing. While MHA does not want to lose any affordable units, it has a fiduciary duty to make sound financial decisions to protect its portfolio.

h. Past Performance of the Applicant in Initiating and Completing Tax Credit Projects

MHA owns multiple LIHTC projects and has served as a co-developer and owner in several recent developments, including Garden District Apartments, Maclay Commons, Palace Apartments, Russell Square Apartments, Trinity Apartments, Villagio apartments, Parkside Village Apartments, and River Ridge Apartments. Its most recent rehab was Parkside Village apartments in 2013. Tyson O'Connell, UHP's principal, has been a partner in over 4,000 units of affordable housing in his career and his experience developing low-income housing using complex, layered funding sources provides the applicant with familiarity in creating a conservative, accurate timeline for building and maintaining the Project. O'Connell most recently successfully led the acq-rehab of Firetower Apartments in Helena in 2021. Mike Bouchee of Bouchee Development has been involved in the development of over 3,000 units across nine states since 2008, including several acq-rehabs.

The developers have already assembled high level bidding from CDK Enterprises, a construction and procurement expert that has been involved in the construction of more than 120,000 single-family homes, apartment units, and hotel rooms and has worked on over 400 units rehabs using a similar execution. In the past 5 years, CDK has rehabilitated 446 units of affordable housing partnering directly with owners and GCs to update exteriors, siding, insulation, windows, and all interior upgrades from drywall and subfloor to final finishes. Leveraging CDK's reach and skill set, UHP has been able to lower the final stipulated sum on its last two LIHTC projects more than a million dollars each, and has significantly lowered the original bid solicited for Wildflower as well.

UHP is currently finishing construction of its 2024 twinned 4/9 project in Helena known as Twin Creeks. Twin Creek 9 was completed nearly two months ahead of schedule and far enough under budget that the ownership group decided to go back and add additional features to benefit tenants including offering in unit washer and dryers and including free carports.

UHP is also on track to close Hidden Creek Apartments in Bozeman in October. A 2025 LIHTC awardee, Hidden Creek is also a twinned 4/9 project and one of the most complex projects of O'Connell's career due in part to the complex capital stack which includes requirements for Davis Bacon, Build America Buy America (BABA), HUD subsidy layering review (SLR), execution of a HAP contract, as well as subdividing land that didn't have infrastructure frontage and is being donated by Gallatin County to a non-profit partner and then sold into the partnership with a long term seller note in exchange for permanent

affordability. UHP has overcome all obstacles to date and is confident it will deliver 182 rent restricted homes, including 40 project base voucher units reserved for individuals earning 30% AMI or less to the people of Bozeman and Gallatin County by 2027.

Bouchee was recently awarded a 9% LIHTC award for its project Opportunity Place, a 24-unit affordable housing project in Missoula. Since receiving the award, the development team has finalized design work, secured all local approvals, and is actively moving toward breaking ground on the project. The site has been cleared, and construction is anticipated to begin on August 7.

i. Cost of Construction, Land & Public Infrastructure, Including Costs/Credits Per Square Foot/Unit

Cost of Construction

The current budget proposed by CDK Enterprises is to complete a full-scale top to bottom rehab for approximately \$100/sq ft or \$76,286/unit. This is a significant savings from earlier proposals, while still completing the same divisions. Part of the savings is through accurate and competitive procurement using an extensive supplier network, part is from managing the relocation by intentionally leaving four to eight units vacant at a time, part is from using experienced subs that complete multiple scopes for pricing and scheduling efficiencies, and a huge part is from MHA's Sam Oliver using his extensive construction management background to serve as the GC.

This structure has allowed the developers to take on the project in a single phase, leveraging a 9% LIHTC award to fully renovate 96 units to efficient, like new homes at a total cost of just \$320,908/unit across the total project and a 32% soft cost ratio even with the bond reinvestment income included.

Cost of Land

The cost of the land will be separated through a third-party appraisal ordered by the construction and permanent lender, Glacier Bank. It has already been valued through a comparative market analysis (CMA) completed for this application. The land will then be sold to the partnership at appraised value, allowing MHA to pay off the remaining balance on the ARM (approximately \$6,448,095) and hold seller notes on both the 4% and 9% projects for the remaining value in order to roll more equity back into the project.

Credits per Square Foot/Unit

The credits per square foot are summarized in the following table:

Figure 11: Credits per Square Foot/Unit

Credits Per Square Foot and Per Unit				
	<u>9% project</u>	<u>4% Project</u>	<u>Combined Project</u>	<u>96 units created by 9% LIHTC award</u>
LIHTCs per SF	\$249.14	\$93	\$147	\$86
LIHTCS per Unit	\$218,587	\$109,932	\$155,205	\$91,078

When reviewing the table, it's important to remember:

- The 4% project is financed with tax exempt bonds and non-competitive LIHTCs and has significantly higher transaction costs than the 9% project. However, the 4% project cannot stand on its own to finance the entire project and is only possible if the applicant is awarded 9% LIHTCs and can offset the additional transaction costs for the 4% project while simultaneously constructing both the 4% and 9% project.
- The 9% project contains 41% of the dwellings, but the \$8,500,000 award of competitive 9% LIHTCs will ultimately preserve and completely renovate 96 units. This is the “bang for the buck” that the Board can get by making a 9% LIHTC award to Hidden Creek Apartments.

Wildflower Apartments has had three developers striving for three years to figure out how to effectively rehabilitate and put in a position for long term success, however, it wasn't until the Board raised its 9% credit limit this year that a viable path forward came together. This project cannot wait until next year, and it cannot be completed without a full 9% allocation.

j. Frequency of Awards in the Respective Area Where Project Is Located

Missoula received a 9% award last year for Opportunity Place and a preservation award in 2023 for Creekside, which was built by the same developer that built Wildflower and faced similar risk of loss due to its restrictions expiring. However, Opportunity Place's 24-unit development provides workforce housing and also serves individuals with disabilities, particularly those connected to Opportunity Resources, Inc. (ORI) — a local nonprofit that

has long employed and supported people with disabilities in Missoula, and the impact won't be equal for all Missoulians.

Over the past five years, the Board has awarded funding to Billings for four projects, Great Falls and Gallatin County each three projects, while Missoula has received just two – this makes it tied with Dillon and Butte, even though it is significantly larger and an entitlement community that can better leverage impact. The last Missoula rehab to come before the Board was the Bridge Apartments in 2024, which were not awarded, and there were no acq-rehabs awarded last year. Preservation is an important tool in the Board's priorities, particularly one with as many reasons to award as Wildflower.

Regardless of past award geographical distribution, no other proposal currently considered for a 9% award can compare to the urgency of Wildflower. Neither the Billings nor the Troy acq-rehabs can state their projects will be lost without a funding award this year. Wildflower can say this, and the units will be lost. The question is simple, can MBOH afford to wait? The answer is no.

LOWER INCOME TENANTS

Income Level and Rent Level Targeting

Wildflower is a twinned 9/4 project qualifying for the Average Income set aside based on the Board's criteria of a weighted average income target of 60% AMI. Wildflower Apartments will meet the federal Average Income set-aside. Wildflower 9 Apartments will be comprised of 40 units and Wildflower 4 Apartments will be comprised of 56 units, 100% of which will be rent restricted. Units will be income-qualified and rent-restricted in accordance with Section 42 of the Internal Revenue Code. Figure 8, the Project Unit Mix Summary presented above, delineates the full spectrum of unit types available across targeted AMI bands, specifically structured to serve households at or below 60% of the Area Median Income, thereby reinforcing long-term affordability for low-income residents. The development team is committed to providing both long-term affordability and high-quality housing for residents of Missoula.

LOCAL INVOLVEMENT

Community Input/Local Entity Participation/Relationships

The Wildflower development team is committed to meaningful local engagement to ensure the project reflects community needs and that all interested and affected community members have access to important project details. An on-site neighborhood meeting was held on July 15, 2025, during which the project team presented information about the rehabilitation and welcomed feedback from attendees. Documentation from that meeting, including an agenda, summary of comments, and outreach materials, will be included in the final application (*see attachment 37_e_CommInput_WF*).

Based on the sign-in sheet (*see page 4 of attachment 37_e_CommInput_WF*) for the July 15, 2025 neighborhood meeting at Missoula Housing Authority, 34 individuals signed in to confirm their attendance. This reflects strong community engagement around the proposed rehabilitation of Wildflower Apartments.

The July 15, 2025 neighborhood meeting for the Wildflower Apartments rehabilitation provided residents with detailed information on the upcoming improvements and addressed their questions and concerns. The project team confirmed that construction would be carried out building by building, with a rough timeline of two months per building, and residents would be moved into new units, not necessarily their original ones, but with efforts to match preferences like unit type and floor level.

Key topics covered included:

- Accessibility upgrades, with ADA-compliant units featuring roll-in showers and accessible counters.
- Appliance improvements, confirming new appliances but no in-unit washers and dryers—updated machines will remain in the communal laundry areas.
- Relocation logistics, ensuring that the developer will cover all moving costs, supply movers, and provide a relocation coordinator.
- Pets will remain with tenants, and tenants' mail and utility services will be supported through coordinated provider communication.
- Site features, such as garages and the playground, will be spruced up or replaced, and floor plans will remain unchanged.
- Tree and wood removal would be minimized, and reusable materials could be donated.

- Rent increases would not result from the rehab; any changes follow a preplanned schedule.

Overall, the meeting emphasized minimal displacement, transparency, and a commitment to maintaining residents' comfort and dignity throughout the rehab process (see pages 6-8 of attachment 37_e_CommInput_WF). Despite the original hesitancy of the tenants in attendance at having to move to different units, the plan was presented clearly, all questions were answered, and the meeting ended with a standing ovation.

In addition to community outreach, Wildflower Apartments benefits from significant participation by local entities. The Missoula Housing Authority, the current property owner and local public housing agency, is a development partner in the project. MHA will continue to play a key role in resident coordination, long-term stewardship, and operational oversight.

Figure 12: Community Neighborhood Meeting



DESIGN REQUIREMENTS

Per the QAP Design Requirements, the project will meet or exceed the minimum threshold of 5% of the units being designed as fully “accessible” or Section 504 Accessible units – as defined in the ICC A117.1 and the International Existing Building Code (IEBC). Requirements outlined for new construction will be applied to Wildflower Apartments where existing construction is being replaced, or walls are being removed during rehabilitation (see *attachment 37_h_GreenEnergy_WF*).

Other accessible, adaptable, and visitable features will include:

- All units not designated as accessible will be designed to be adaptable to the greatest extent feasible.
- Where wall framing is exposed, blocking will be installed at water closets and tubs/showers for future grab bar installation.
- All plumbing fixtures provided or replaced will be ADA compliant.
- In accessible units, kitchen and bathroom countertops will be installed at accessible heights, with removable base cabinets beneath sinks and workspaces.
- Where cabinets are replaced, accessible units will include open space under kitchen sinks, kitchen workspaces, and bathroom lavatories.
- Operable parts, such as light switches and thermostats, will be located within the 15”- 48” reach range where installed or replaced.
- Unit entry doors and exterior thresholds will be modified to meet accessibility standards where feasible.
- All door hardware replaced during rehab will be lever-style with push button locks.
- Units on elevator-served floors will meet Type B requirements, including removable base cabinets where cabinets are replaced.

TENANT POPULATIONS WITH SPECIAL HOUSING NEEDS

Family Projects

Wildflower Apartments satisfies the Special Needs Development Evaluation Criteria outlined in the 2026 QAP by committing more than 10% of its units to serve families with children. Of the 96 total units, 20 are three-bedroom apartments (12 units are in Wildflower 9 and 8 units in Wildflower 4), intentionally included to support larger households - a population identified by MBOH as underserved and high-need across the state.

Wildflower Apartments is being rehabilitated to modern standards that support long-term affordability and improved livability for lower-income families in Missoula. The unit mix was designed to offer flexibility for a range of household sizes and configurations, particularly those with multiple children. Larger units are positioned to provide reasonable proximity to outdoor areas and free transit access, helping to meet the day-to-day needs of families in a practical and functional way.

COMMUNITY SERVICE FACILITIES COST EXCLUSION

The total cost of the Wildflower Apartments rehabilitation project, as detailed in this Application and the attached supporting documents is \$30,697,920. When broken out across 96 units, this comes to \$319,770 per unit, which is well below the 2026 QAP's \$360,000 Total Cost Per Unit Limit. However, this 9% Application covers only a portion of the project, specifically the rehabilitation of 40 units, funded by approximately \$8,500,000 in 9% tax credit equity, which again is less than the 2026 QAP's \$360,000 Total Cost Per Unit Limit. This 9% portion of the project does not include any Community Services Facility as defined by the 2026 Qualified Allocation Plan.

Less than \$7,500,000 of the total development costs is direct construction costs. This is because of the creative manner the applicants proposed design, procurement, and construction management through internal sources. Included in this application is a detailed cost breakdown from the project general contractor and scope costs broken out by division as well as a certification from the Owner that the project's Total Project Cost Per Unit will be within the 2026 QAP limit. Also included with the owner certification is an agreement, upon request of MBOH, to provide staff with supporting cost documentation, as requested.

The applicants hope the Board recognizes how strongly the Wildflower Apartments acq-rehab proposal demonstrates alignment with the Montana Board of Housing's 2026 Qualified Allocation Plan (QAP) and funding prioritization standards, fulfilling the state's goals for preservation, geographic distribution, community impact, and affordability.

Through thoughtful planning, strategic partnerships, and a unique financing structure that maximizes public and private resources along with the strengths of each partner, the applicants have shown how Wildflower not only meets—but exemplifies—the Board's stated priorities. The project merits a 9% LIHTC funding commitment as a critical step toward safeguarding 96 affordable homes in an urban neighborhood where opportunities for new development are scarce and the risk of displacement is real. We hope the Board agrees.

MARKET STUDY SUMMARY

Market Study Company:	Kinetic Valuation Group
Project Name:	Wildflower Apartments
Project Market Area:	1250 34th Street, Missoula, MT 59801
Mini or Full Market Study:	Full Market Study

"(if a mini market study fill out fields below that pertain, leave others blank)"

Is the project, as proposed, viable? YES

Average (comparable/achievable) market unit rents in immediate area and the percent the proposed project rents are below these rents.

	Market Rents	% Project Rents	
0 bedroom	\$ 1,375	-31.9%	
1 bedroom	\$ 1,475	-34.1%	
2 bedroom	\$ 1,650	-30.8%	
3 bedroom	\$ 1,900	-32.2%	
4 bedroom			
5 bedroom			

Reference page: 62-63

of all New Units Needed: 3,569 Reference page: 67

of units needed for the targeted AMI of the project: 3,569 Reference page: 67

Vacancy Rate: 3.0% Reference page: 55

Months to Lease-up: N/A Reference page: 56

Capture Rate: 0.4% Reference page: 67
(projected income eligible tenants who will move in next year/proposed units)

Absorption Rate: 14.8% Reference page: 68
(proposed units/existing LIH, market area units required)

Penetration Rate: 0.4% Reference page: 68
(existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project: 3,569 Reference page: 67

Distance (miles) to: (only fill this out at full market study)

0	miles to grocery store (convenience store does not count)
2	miles to medical services appropriate and available to all prospective tenants (e.g., hospital, doctor offices, etc.) and are one of the following:

☒ A Project is located within 1½ miles of the specified amenity or essential service.

☒ Public or contracted transportation (not including taxi or school bus service) is reasonably available to the specified amenity or service (i.e., the Project is located within ¼ mile of fixed bus stop or on a same day call basis) (or letter from provider committing to establish such service); or

☒ Where applicable, the specified amenity or service is available via a no-charge delivery service to the Project Location (all distances must be as specified in the

All other services and distance to each.

	Other Service	Distance (mi)
1	Bus Stop	Adjacent
2	Russell Elementary School	0
3	Albertsons	0
4	Jacksons	0
5	Christian Life Center	0
6	Boyd Park	0
7	Farmers State Bank	1
8	Sentinel High School	1
9	Western Montana Clinic - Now Care	1
10	USPS	1
11	Meadow Hill Middle School	1
13	Missoula Public Library	3
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OFFICE OF THE MAYOR

435 RYMAN MISSOULA, MONTANA 59802-4297 (406) 552-6001

August 20, 2025

Jason Hanson
Multifamily Program Manager
Montana Board of Housing

Re: Wildflower 9 Apartments Housing Tax Credit application

Dear Mr. Hanson,

Thank you for reaching out to seek my comments regarding the Wildflower 9 Apartments project proposal in front of the Montana Board of Housing (MBOH) for consideration of a Housing Credit Allocation.

I am very supportive of this project and urge the MBOH to allocate tax credits for this project for several reasons. This property is in dire need of rehabilitation and preservation. Given that the affordability period has already sunset, and the physical improvements far outpace the ability to fund with regular operations, we stand to lose the affordable rents currently available for low and moderate income Missoulians if there is no significant infusion of capital offered through the housing credit program.

The "twinned" housing credit structure allows this project to get much needed physical improvements to make the homes more comfortable for residents for years to come.

I respect that the Board has difficult decisions to make as there are many worthy projects across the State of Montana and the Housing Tax Credit program is often sought out as a feasible way to build new or preserve existing affordable housing. In Missoula, we are doing a lot to address affordability, including implementing a new zoning framework and code structure and getting creative to fund our Affordable Housing Trust Fund. However, neither of these initiatives will deliver the amount of capital necessary to make the improvements needed to Wildflower Apartments that are desperately needed now. As we aim to build more homes that are affordable for working and retired Missoulians, we must preserve the existing homes that provide affordable rents for current and future residents.

Thank you for your consideration.

Respectfully,

Andrea Davis
Mayor



Missoula City Council

435 Ryman

Missoula, MT 59802

Phone: 406-552-6012

Web: www.ci.missoula.mt.us/314/City-Council

Montana Department of Commerce
P.O. Box 200528
301 S. Park Avenue
Helena, MT 59620-0528

Friday, April 11, 2025

Re: Support for Wildflower Apartments Rehabilitation Project in Missoula, MT

Dear Staff and Board Members,

As members of the Missoula City Council, we are writing to express our enthusiastic support for the rehabilitation and preservation of Wildflower Apartments, a 96-unit affordable housing development on Missoula's south side.

Housing remains one of the most urgent issues facing our City, and we regularly hear from residents who are struggling to find and keep housing they can afford. The Wildflower Apartments have long served low- and moderate-income households in our community, but without reinvestment, these homes are at risk of being lost to market-rate conversion. Preserving this site is essential to keeping families housed, maintaining the fabric of our neighborhoods, and preventing a deepening of our local housing crisis.

This rehabilitation project aligns directly with the goals in *A Place to Call Home*, Missoula's adopted housing strategy, and complements the City's strategic direction for housing affordability.

The proposed twinned 4%/9% Low-Income Housing Tax Credit structure allows for a creative, resource-leveraging approach to preserving 96 units—without the added delay and cost of new construction. As Councilmembers, we value public-private partnerships that demonstrate financial responsibility and long-term stewardship of housing assets. United Housing Partners, Bouchee Development, and the Missoula Housing Authority bring the capacity, experience, and local knowledge to see this project through successfully.

Losing these homes would be a significant setback for Missoula. In the face of rising rents, limited supply, and increased displacement risk, we must do all we can to protect our existing affordable housing. Wildflower Apartments is not just a project; it's a key part of our community's housing safety net.

We respectfully request your thoughtful consideration of the Wildflower Apartments application. Thank you for your continued support of affordable housing in Missoula.

Sincerely,

Missoula City Council

All Members in Support: Stacie Anderson, Mirtha Becerra, Bob Campbell, Daniel Carlino, Sierra Farmer, Gwen Jones, Kristen Jordan, Eric Melson, Mike Nugent, Jennifer Savage, Amber Sherrill, and Sandra Vasecka

cc: Tyson O'Connell, United Housing Partners; Mike Bouchee, Bouchee Development; Sam Oliver, Missoula Housing Authority



OFFICE OF THE MAYOR

435 RYMAN MISSOULA, MONTANA 59802-4297 (406) 552-6001

April 10, 2025

Montana Department of Commerce
P.O. Box 200528
301 S. Park Avenue
Helena, MT 59620-0528

Re: Support for Wildflower Apartments Rehabilitation Project in Missoula, MT

Dear Staff and Board Members:

As Mayor of the City of Missoula, I am writing to express my strong support for the rehabilitation and preservation of Wildflower Apartments. This 96-unit affordable housing community is critical to our City's efforts to maintain and expand housing opportunities for residents of all income levels.

Located in a walkable, transit-accessible neighborhood on Missoula's south side, Wildflower Apartments offers proximity to grocery stores, healthcare services, public parks, and local businesses. While the Missoula Housing Authority (MHA) currently owns and manages the property, its affordability restrictions have expired, and the buildings urgently need repairs and efficiency upgrades. Without investment through the Low-Income Housing Tax Credits, MHA will have to sell the property at market value—an outcome that would eliminate 96 essential affordable homes.

The proposed 4%/9% twinned LIHTC project, led by United Housing Partners, Bouchee Development, and MHA, is a cost-effective preservation strategy. This collaborative team brings deep experience and a proven commitment to affordable housing in Missoula. By preserving existing homes, this project leverages public resources to meet urgent housing needs more quickly and efficiently.

The need for housing supply is real and growing. Tenant incomes have not kept pace with rising rent costs. The amount of affordable rental units in Missoula has decreased since 2019, while expensive, market-rate units continue to hold an increasing share of the City's rental supply. Wildflower Developers LLC is aware of the importance of maintaining our current affordable housing stock to support the individuals and families most likely to be affected by our City's current housing climate. Undoubtedly, they will do an exemplary job with this preservation project.

April 10, 2025
Page 2

Preserving affordable housing is a cornerstone of Missoula's adopted housing policy, *A Place to Call Home*, as well as the City's Strategic Plan. Rehabilitating and modernizing Wildflower keeps families in their homes and furthers our community's long-term goals around health, equitable growth, and livability.

On behalf of the City of Missoula, I respectfully urge your full consideration and support for this essential project. Thank you for your ongoing partnership and commitment to housing Montanans.

Sincerely,

A handwritten signature in dark ink, reading "Andrea Davis". The signature is fluid and cursive, with the first name "Andrea" and last name "Davis" clearly distinguishable.

Andrea Davis
Mayor

cc: Tyson O'Connell, United Housing Partners; Mike Bouchee, Bouchee Development; Sam Oliver, Missoula Housing Authority

Montana Department of Commerce
P.O. Box 200528
301 S. Park Avenue
Helena, MT 59620-0528

Wednesday, April 9, 2025

Re: Wildflower Apartments Rehabilitation Project Support, Missoula, MT

Dear Staff and Board Members,

I am writing to share strong support for the Wildflower Apartments Rehabilitation project from the City of Missoula's Community Planning, Development & Innovation Department.

This preservation project—rehabilitating 96 units for Missoula renters making 50-60% of the area median income—is essential to maintaining our rental supply. Currently, rental costs are rising far quicker than renters' incomes in Missoula. The market is mismatched, with a larger supply of units over \$1,500 and a decreasing number of units affordable to lower-income earners. With a median market-rate rent well above affordable rents for lower-income renters, maintaining income-restricted affordable housing stock is necessary for the health and livelihood of our residents. Losing the 96 units at the Wildflower Apartments would burden our already challenging housing market.

In 2019, the City of Missoula adopted a city-wide housing strategy, *A Place to Call Home*. This strategy directly addresses the landscape for tenants and the need to preserve existing affordable housing. The strategy further expresses the need to secure Low-Income Housing Tax Credit-funded projects in the Missoula area. The Wildflower project meets several strategy goals by leveraging innovative financing, supporting tenants, and preserving existing affordable units.

We are so grateful to Montana Housing and the Montana Board of Housing for their ongoing partnership and support of Missoula's efforts to create housing that people of all incomes are proud to call home.

In conclusion, the Wildflower Rehabilitation project will preserve essential housing units in the Missoula area for renters earning 50-60% AMI. As this project directly benefits Missoula residents, we are proud to support the efforts to maintain our affordable rental stock. We recognize the difficulty of allocating finite resources and respectfully request your thoughtful consideration of the Wildflower application and our community goals when deciding where to allocate 9% and 4% Low-Income Housing Tax Credits.

Sincerely,


Eran Pehan
Director, Community Planning, Development & Innovation, City of Missoula

cc: Tyson O'Connell, United Housing Partners; Mike Bouchee, Bouchee Development; Sam Oliver, Missoula Housing Authority

Cover Letter

Date: **August 4th, 2025**

Montana Board of Housing
PO Box 200528
Helena MT 59620-0528

RE: HC Application – **Sheep Mountain Residences, Combined 4% and 9%**

Dear Board of Housing:

Boundary Development and HRDC (“Developer”) propose a 48-unit affordable family housing project in Livingston, MT, addressing a long-standing shortage in a community that has seen little subsidized housing development in recent years. This is evidenced by our market study which estimated a need of 3,936 units for the target AMI within the Primary Market Area. The Project will include 48 units in total and will be divided into two condominiums (a “4% Parcel” and “9% Parcel”) and will be financed using both 4% and 9% tax credits as well as tax-exempt bonds (on the 4% Parcel only).

Livingston and nearby Paradise Valley face rising rents and limited options for low-income families. This project will provide essential housing while fostering strong local partnerships and community engagement to meet the specific needs of the area. By collaborating closely with city staff and community members, we are committed to delivering a development that is both impactful and widely supported. This effort builds on the success of our ongoing 96-unit affordable housing project in Bozeman (7th and Aspen), showcasing our ability to execute meaningful, community-driven developments.

Proximity to Downtown and Amenities:

The proposed site is located 1 mile from downtown Livingston and conveniently located 0.5 miles from the 4 Ranges Wellness Center, which is under construction and will offer significant benefits for future residents. The wellness center will provide residents free access to amenities like aquatics areas, an indoor gym, fitness facilities, a walking and running track, studio spaces, classrooms, and partner organization spaces. These resources will promote health, wellness, and community engagement year-round. The wellness center's proximity enhances the appeal of our housing while supporting residents' well-being, reflecting our dedication to creating developments that align with community priorities and improve quality of life.

Justification for Need:

Livingston, Montana, serves as a critical housing hub for a vast geographic area, including Shields Valley, Gardiner, Paradise Valley, and neighboring Gallatin County. Additionally, Livingston is poised to support workers from new industrial operations like the White Sulphur Springs Mine. However, the rapid growth of these employers, combined with increased tourism and the rising popularity of the area among second-home buyers, has placed immense strain on the local housing market.

The demand for affordable housing in Livingston has outpaced supply, leading to skyrocketing costs and the displacement of long-time residents. Vacancy rates are near zero, making it increasingly difficult for local employers to attract and retain workers due to a lack of affordable options. Over the past decade, Park County has delivered only 89 new subsidized units—37 of which were LIHTC-funded—leaving a significant gap in workforce housing. Our proposed 48-unit development aims to address this crisis by serving households earning 50–60% of Area Median Income (AMI), directly targeting the unmet need identified in market studies.

These credits are vital to enabling the construction of affordable housing that supports local residents and workers. Without this investment, both employers and employees will face continued challenges, threatening economic stability across Park County and beyond.

Project Amenities:

The proposed project has been thoughtfully designed with significant input from the community to ensure it meets the most pressing local needs. One of the largest needs identified is housing for the older generation, particularly one-bedroom units. To address this, the project includes a total of 32 one-bedroom units, 12 two-bedroom units, and 4 three-bedroom units, with 5 units (10% of the total) specifically targeted for persons with disabilities. All units

will feature Energy Star appliances, open living and kitchen areas, and ample natural light with great views. The building will also provide on-site parking, bike storage, a playground and shared open spaces to foster community interaction. Additionally, the design incorporates sustainability principles and fully complies with MBOH Green Building requirements, ensuring energy efficiency and environmental responsibility.

- Energy-efficient design compliant with MBOH Green Building standards.
- Mix of 1- to 3-bedroom units, including ADA-accessible options.
- Proximity to the Wellness Center, public transit, and essential services.
- On-site parking, bike storage, and community spaces.
- On going discussions with Wind Rider Transit, a free, fixed-route service, to add a bus stop at our property location.

Project Structure and Financing

The application submitted herein is for the 9% Parcel. We have included a Proforma for the 4% Parcel as well as a combined Proforma. The parcels were sized at 24 units each in order to allow for a viable financing structure for both components, maximizing the total unit count. Glacier Bank has submitted a letter of intent to provide construction and permanent financing for the Project. US Bank has submitted a letter of intent to purchase the tax credits. Boundary, HRDC, Glacier and US Bank have a track-record of working together to successfully execute on complex project financings. Given current construction costs, lower AMIs, and elevated interest rates, an award of both credits will be necessary in order to make the project feasible.

Sponsor Overview:

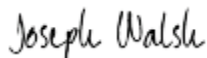
The Project will be developed, owned and managed by Boundary Development and HRDC. Boundary Development is based in Bozeman and is currently developing \$200 million of housing projects, including a 96-unit affordable and middle-income project in Bozeman. HRDC is a non-profit Community Action Agency (CAA) dedicated to strengthening the community and advancing the quality of people's lives in southwest Montana. HRDC instills hope, develops resources, designs solutions and changes lives. The HRDC team has completed more than \$100 million in housing and public facilities development.

Boundary Development and HRDC bring a track record of success that ensures execution, certainty, and financial stability. We respectfully request consideration for housing credits to make this vital project feasible.

If you have any questions, please contact me at:

Joe Walsh | joe@boundarydev.com | 503-784-9411

Sincerely,



Joseph Walsh, Boundary Development



Heather Grenier, President/CEO, HRDC

Photographs of Subject & Neighborhood



Subject site



Subject site



Subject site



Subject site



Subject site



Subject site

Sheep Mountain Residences LLC - 9%
Montana Housing Tax Credits
Development Evaluation Criteria Narrative

Criterion 1: Lower Income Tenants

Boundary and HRDC have elected Income Averaging and commit to meet an average of 53% or below. We will bind the project to this commitment through the use of the Declaration of Restrictive Covenants.

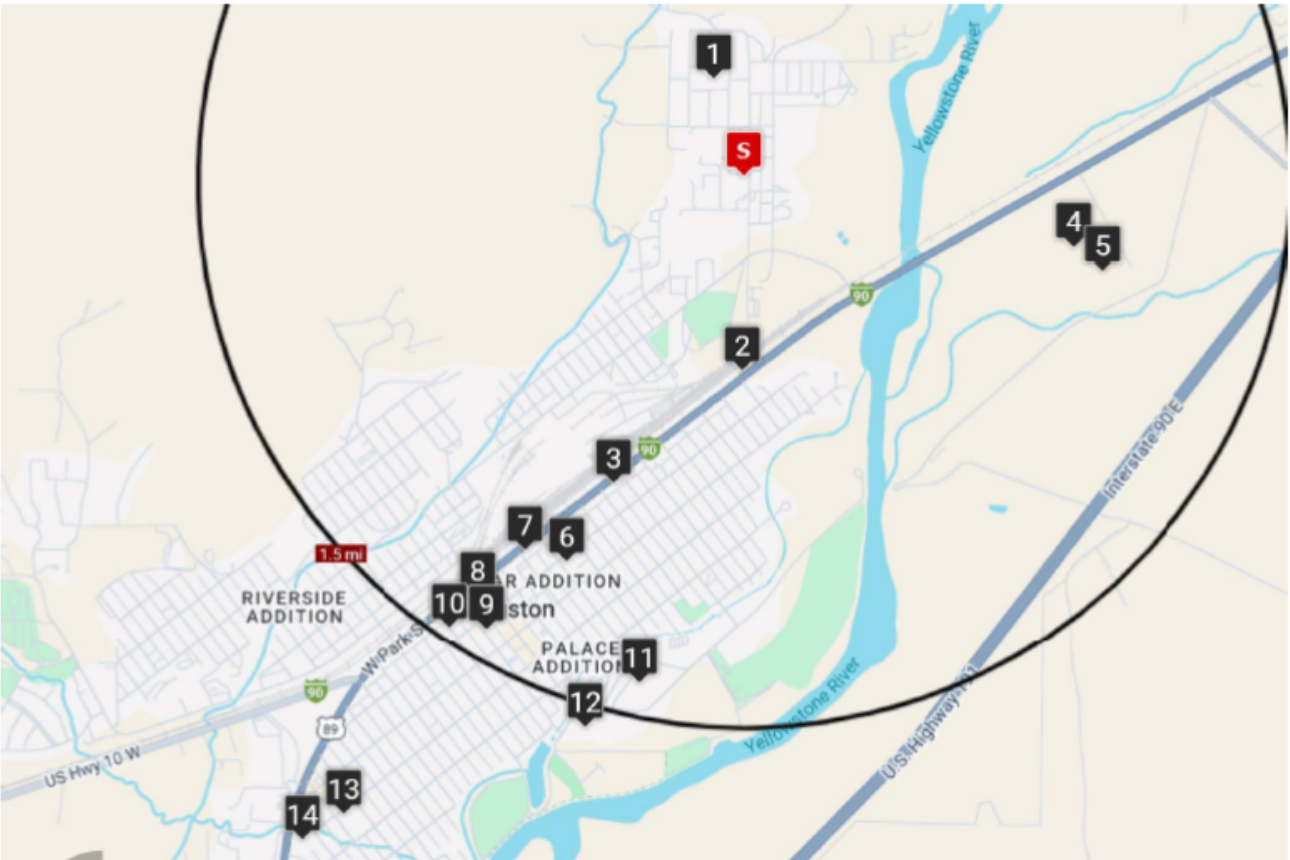
<u>Unit Type</u>	<u>Target</u>	<u>Count</u>
1-bdrm	50%	11
1-bdrm	60%	5
2-bdrm	50%	4
2-bdrm	60%	2
3-bdrm	50%	2
3-bdrm	60%	0
Total Units		24
Average Income Targeting		52.92%

Criterion 2 – Project Characteristics

Sheep Mountain is well located in Livingston with easy access to many community amenities and essential services, as shown in the chart and map below.

Locational Amenities

The following map and table illustrate the Subject’s proximity to necessary services. Map numbers correspond with the *Locational Amenities Map*, presented on the following page.



Source: Google Earth, March 2025

LOCAL AMENITIES					
#	Service or Amenity	Distance to Subject	#	Service or Amenity	Distance to Subject
1	Green Acres Park	0.3 miles	8	American Bank	1.4 miles
2	Bus stop	0.5 miles	9	United States Postal Service	1.4 miles
3	Exxon	0.9 miles	10	Livingston-Park County Public Library	1.4 miles
4	Livingston Healthcare Pharmacy	0.9 miles	11	Sleeping Giant Middle School	1.4 miles
5	Livingston Healthcare	1.0 mile	12	Park High School	1.6 miles
6	Livingston Police Department	1.1 miles	13	Winans Elementary School	2.0 miles
7	Park County Rural Fire District 1	1.2 miles	14	Town & Country Foods	2.2 miles

Criterion 3 – Local Involvement

Sheep Mountain complies with both the **Local Community Input** and **Qualified Census Tract** criteria.

Local Community Input

Boundary and HRDC have provided several opportunities for the community to provide input on the Project, including the following:

- **Wednesday, May 21, 2025 - Sheep Mountain Residences PUD Public Work**
Session: <https://www.livingstonmontana.org/bc-club/page/sheep-mountain-pud-public-work-session>
 - QAP notice was displayed and explained at 26:57 in the video recording
- **Wednesday, June 11, 2025 - Consolidated Land Use Board meeting on Sheep Mountain Residences PUD:** <https://www.livingstonmontana.org/bc-club/page/consolidated-land-use-board-12>
 - QAP notice was displayed and explained at 1:02:59 in the video recording
- **Tuesday, July 1, 2025 - Livingston City Commission meeting that included discussion of Sheep Mountain Residences PUD:** <https://www.livingstonmontana.org/citycommission/page/city-commission-meeting-228>
 - Presentation of the project begins at 2:14:11 in the video recording.

Qualified Census Tract

The project is located within a qualified census tract (number 30067000300):

QCT for 2025			
Tract	3		
County	Park County		
State	Montana		
Status (2025)	Qualified		
Full Tract Number	30067000300		

Criterion 4 - Green Building and Energy Conservation Standards:

Sheep Mountain will comply with all Mandatory design criteria and will comply with option 1 of the Green Initiatives: Building envelope components exceeding the adopted International Energy Conservation Code (IECC).

Criterion 5 – Tenant Populations with Special Housing Needs

Family Projects

Sheep Mountain has committed to meeting Section 504 fully accessible requirements (other than features for persons with hearing or visual disabilities, which can be limited to 5% of units);

Architects letter in reference to item 4 and 5:

ASPEKT Architecture LLC
214 E. Mendenhall Street Suite 201
Bozeman, MT 59715

August 1st, 2025

Montana Housing
301 S. Park Ave.
P.O. Box 20528
Helena, MT 59620

RE: Sheep Mountain Residences 2025 Low Income Tax Credit Application

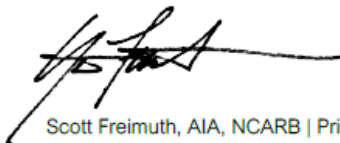
To whom it may concern,

This letter is submitted to confirm that the project will comply with the design requirements outlined in Appendix: B of the 2026 Qualified Allocation Plan. This includes selecting option 1: "Building envelope components exceeding the adopted International Energy Conservation Code (IECC)" to meet the Green Initiative requirement.

As a family project, at least 10% of the units will meet Section 504 fully accessible requirements as outlined in the 2026 QAP.

I will provide further certification along with the Form(s) 1098 as needed at final cost certification.

Sincerely,

A handwritten signature in black ink, appearing to read 'Scott Freimuth', is written over a horizontal line.

Scott Freimuth, AIA, NCARB | Principal Architect
MT License: ARC-ARC-LIC-17157

MARKET STUDY SUMMARY

Market Study Company:	Novogradac
Project Name:	Sheep Mountain Residences (9%)
Project Market Area:	101 Brookstone Street, Livingston, MT 59047
Mini or Full Market Study:	Full

"(if a mini market study fill out fields below that pertain, leave others blank)"

Is the project, as proposed, viable? YES

Average (comparable/achievable) market unit rents in immediate area and the percent the proposed project rents are below these rents.

	Market Rents	% Project Rents	
0 bedroom			
1 bedroom	\$ 2,093	45.1%	
2 bedroom	\$ 2,251	50.3%	
3 bedroom	\$ 3,461	37.6%	
4 bedroom			
5 bedroom			

Reference page: 5

of all New Units Needed: 1,731 Reference page: 100

of units needed for the targeted AMI of the project: 3,936 Reference page: 102

Vacancy Rate: 4.4% Reference page: 89

Months to Lease-up: 7 Reference page: 104

Capture Rate: 2.8% Reference page: 100
 (projected income eligible tenants who will move in next year/proposed units)

Absorption Rate: 58.5% Reference page: 104
 (proposed units/existing LIH, market area units required)

Penetration Rate: 1.2% Reference page: 102
 (existing LIH units/total eligible households)

Number of LI households that can afford rent of proposed project: 4,948 Reference page: 99

Distance (miles) to: (only fill this out at full market study)

1	miles to grocery store (convenience store does not count)
1	miles to medical services appropriate and available to all prospective tenants (e.g., hospital, doctor offices, etc.) and are one of the following:

☒ A Project is located within 1½ miles of the specified amenity or essential service.

☐ Public or contracted transportation (not including taxi or school bus service) is reasonably available to the specified amenity or service (i.e., the Project is located within ¼ mile of fixed bus stop or on a same day call basis) (or letter from provider committing to establish such service); or

☐ Where applicable, the specified amenity or service is available via a no-charge delivery service to the Project Location (all distances must be as specified in the

All other services and distance to each.

	Other Service	Distance (mi)
1	Green Acres Park	0
2	Bus Stop	1
3	Exxon	1
4	Livingston Healthcare	1
5	Police Department	1
6	Park County Rural Fire	1
7	USPS	1
8	Public Library	1
9	Foodworks Grocery Store	1
10	Park High School	2
11	Elementry School	2
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August 19, 2025

Jason Hanson
Montana Board of Housing
P.O. Box 200528
Helena, MT 59620-0528

CITY OF LIVINGSTON

220 E. Park Street
Livingston, MT 59047
406.823.6000
LivingstonMontana.org

Subject: Sheep Mountain Residences (9%) Application

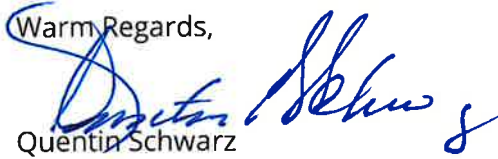
Mr. Hanson,

This letter is in response to your letter of August 11, 2025, requesting comment on the above noted application to the State of Montana's Low-Income Housing Tax Credit Program.

The City Commission provided final approval to the Sheep Mountain Residences project at its meeting on August 19, 2025. In doing so, the Commission determined that the project is congruent with many policies and goals of the City, including the 2021 Growth Policy which supports both in-fill development and affordable housing. Moreover, the project is located in an area of the City with recently upgraded utilities, access to parks and fixed-route transit service. And, given the Community's recent decrease in affordability of housing, the income-restricted units in the project will provide much-needed inventory of housing units to our workforce.

In summary, this is a Community-supported project in a well-served location at a pivotal time and the City Commission urges the Board to approve the application that has been submitted.

Warm Regards,


Quentin Schwarz
Chair, City Commission



Montana State Legislature
MONTANA HOUSE OF REPRESENTATIVES

Representative Jamie L. Isaly
House District 58

RECEIVED

JUL 18 2025

**MONTANA BOARD OF
HOUSING**

DURING THE SESSION
State Capitol Building
PO Box 200400
Helena MT 59620-0400
Phone: (406) 444-4800
legmt.gov

COMMITTEES
Business and Labor
Education
Fish, Wildlife and Parks

HOME ADDRESS
27 Quinn Creek Rd
Bozeman MT 59715
(406) 209-2568
Jamie.Isaly@legmt.gov

July 11, 2025

Montana Board of Housing
PO Box 200528
Helena, MT 59620

Re: Support for Sheep Mountain Residences in Livingston, MT

Dear Board of Housing,

I am writing to express my support for the Sheep Mountain Residences development proposed in Livingston.

As the Representative for Montana House District 58, I am very aware of the need for affordable housing in our community, and how difficult it is to develop housing that is truly affordable. This project has the potential to meet the demands and requirements necessary to fulfill this need, effectively providing housing that is actually affordable.

I am also a steering committee member for the Park County Housing Coalition, which works collaboratively in our community to implement Park County's 2022 Housing Action Plan. The Livingston City Commission adopted this plan into the City's Growth Policy because it reflects the will of the people. Leveraging the LIHTC program to develop rental homes for our lower-income households is the first recommendation called out in our Housing Action Plan. This is not only because LIHTC is such a powerful financing tool, but also because the program's income targets meet the needs of my constituents.

I checked Indeed recently to better understand the local demand for housing that's affordable to workers earning \$20/hr, which is about 60% AMI for a single-person household in Park County. It was no surprise to me to see the number and diversity of these jobs: team members at fast food restaurants, sales associates, bank tellers, front desk people, animal care specialists, ophthalmic technicians, med-tech caregivers, administrative assistants, and baristas. These are all people and jobs that we cannot afford to lose.

Some other things I appreciate about this project is its proximity to the city center, and the new "Wellness Center" that is currently being constructed. The Sheep Mountain Residences Development also provides a combination of various unit sizes which will accommodate a broader spectrum of individuals and families in need of affordable housing.

This development would support the workers who power many of our most important economic sectors and help ensure Livingston remains livable and full of opportunity for people of all economic backgrounds. I strongly urge you to award this project low-income housing tax credits.

Sincerely,

Jamie L Isaly

Montana House District 58

Multifamily Program Dashboard

October 21, 2025

Coal Trust Multifamily Homes Program, Multifamily Loan Program and Housing Montana
Fund Loan Programs

Available After Commitments

CTMH	\$783,372
MFLP	\$2,924,515
HMF - AHRLF	\$1,625,107

Projects Underway					
Amount	Program/Project	City/Units	Year Awarded	Recipient	Est. Completion
37,000,000	Anaconda Portfolio	Anaconda/164	2025	Good Housing Partnership	Feb-27
7,500,000	4%Centennial Village	Great Falls/48	2025	Vitus Development LLC	Dec-25
12,000,000	4%Aspen Village	Great Falls/60	2025	Vitus Development LLC	Apr-26
42,000,000	4%Montana 6	Scattered/232	2025	NWMT Affordable Housing	TBD
2,200,000	4%/MF/Rocky Mountain Flats	Bozeman/296	2025	Blueline Development, Inc	Dec-27
				Roers Bozeman Affordable	
30,000,000	Goldspur at Urban Farm	Bozeman/145	2025	Apartments Owner LLC	May-27
4,702,040	9%/CT/HMF/MF/Skyview	Billings/26	2025	GL Development	Feb-27
6,500,000	9%/4%LB Lofts	Billings/Laurel	2025	Homeword/HomeFront	Nov-27
6,500,000	9%Opportunity Place	Missoula/24	2025	42-44 Developers	May-26
6,500,000	9%/4%/MF/Hidden Creek	Bozeman/178	2025	United Housing/HRDC	Oct-26, Sep-27
6,500,000	9%/CT/Polson Gardens	Polson/24	2025	Housing Solutions	Jul-26
6,500,000	9%/CT/The Homestead	Dillon/20	2025	The Housing Company	Jun-26
7,500,000	4%/Franklin School	Great Falls/40	2024	Vitus Development LLC	Mar-26
2,500,000	CT/Alpenglow II	Whitefish/18	2024	Housing Whitefish	Fall-27
8,050,000	9%/CT/Riverstone Senior	Hamilton/23	2024	Housing Solutions	Apr-26
				Kamaka Affordable Housing,	
27,155,000	4%/The Aurora	Billings/156	2024	LLC	Jul-26
13,197,880	9%/4%/MidtownAspen	Bozeman/46	2024	Boundry Dev & HRDC	Jun-26
8,200,000	9%/CTMitchell Court	Billings/32	2024	GL Development	Feb-26
10,963,840	4%/The Manor	Hamilton/60	2024	Sapphire Lutheran Homes	Mar-26
6,435,000	9%/ANHA LIHTC #2	Agency/23	2023	Apsaalook Nation HA	Oct-26
41,961,750	9%/4%/Creek Side Apartments	Missoula/161	2023	Homeword	Sep-27

Board Agenda Item

Board Meeting: October 21, 2025

Accounting and Finance Program

INVESTMENT DIVERSIFICATION BAR GRAPH

Diversification is an investment strategy that entails the purchase of a mixture of investments that reduces the exposure to investment risk. Currently, there are limited investments options available that fit within the Board's Investment Policy, so most funds are invested in money market.

- At the end of August, the Board's investment balance, not including new program MBS's, was \$190 million with approximately \$175.3 million deposited in money market, earning 4.17%. The money market balance includes \$19.6 million of debt service and mortgage reserves, as well as \$83.5 million in the 2025A and 2025B Acquisition accounts.
- The remaining \$14.7 million of funds are invested in FNMA and Freddie Mac Bonds and a small MBS from a prior program, with rates ranging from 3.69% to 6.25%.
- The Board's current MBS program is well received by the lenders and as of the end of August, we had purchased \$102.1 million of GNMA MBS and \$4.8 million of FNMA MBS with bond proceeds.

WEIGHTED AVERAGE YIELD TREND GRAPH

MBOH uses the average yield for each investment type and the par value of those same investment types to calculate the weighted average yield.

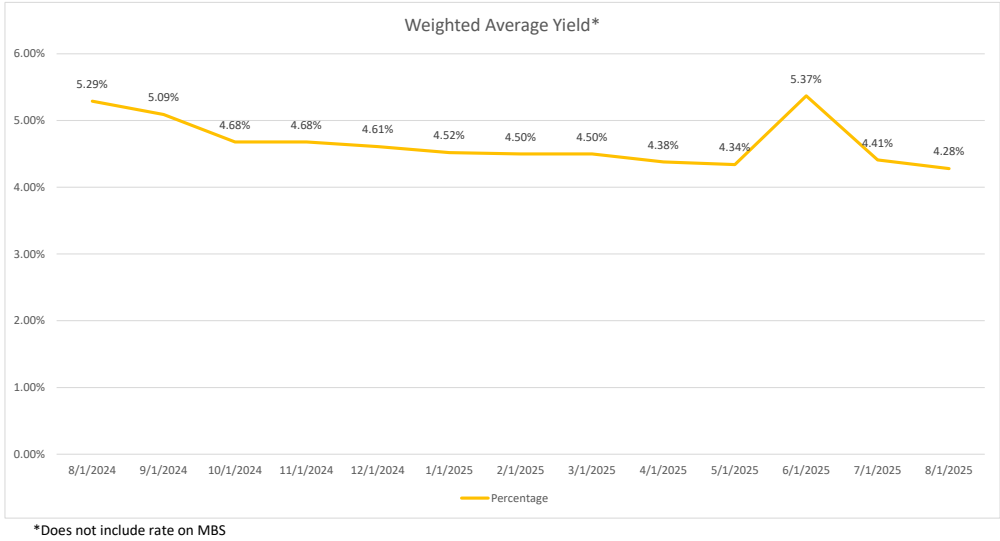
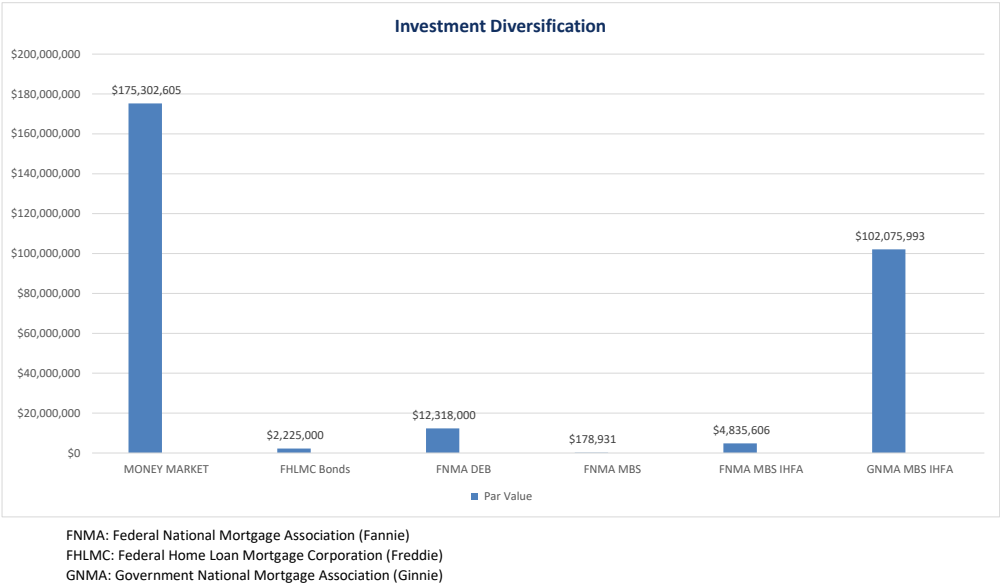
Montana Department of Commerce | commerce.mt.gov | Montana Board of Housing
P.O. Box 200528 | Helena, MT 59620-0528 | Phone: 406-841-2840 | Fax: 406-841-2841
Montana Relay 711: dphhs.mt.gov/detd/mtap/traditionalrelayservice



- The weighted average yield has decreased year-to-year from 5.29% in August 2024 to 4.28% in August 2025.
- The rate decreased from 4.41% in July to 4.28% in August 2025.
- These averages do not include the rates on the new MBS.

INVESTMENT PORTFOLIO MATURITY SCHEDULE

Indicates who holds the investment securities on behalf of MBOH, the type of security, the date of maturity and the PAR value, which is the face value of the security at the time of issuance. This table does not include MBS.



Investment Maturity Schedule			
Maturity Date	Trustee	Type	Par Value
8/1/38	Wilmington Trust	FNMA MBS	38,663.91
3/1/37	Wilmington Trust	FNMA MBS	90,686.82

Board Agenda Item

Board Meeting: October 21, 2025

Homeownership Program

LENDER APPROVAL – Premier Mortgage Resources, LLC

Premier Mortgage Resources was founded by Greg Mirecki and Rich Forde. Although the name was temporarily retired through a series of mergers and acquisitions, their operations continued, and the company was officially relaunched in 2005. Idaho native Cory Swain joined as managing partner in the years that followed. Under his leadership, PMR achieved a 42% year-over-year growth rate in 2018, 23% in 2019 and nearly 60% in 2020. Their headquarters were relocated by Swain to Meridian, Idaho in 2021 and in 2022 they transitioned into an Employee Stock Ownership Plan, making every employee a stakeholder in their success. PMR currently has 495 employees. Their location at 3345 Colton Drive in Helena has 3 loan officers and they will soon have 4 loan officers at a second office at 1222 Whitefish Stage Road in Kalispell.

Leading with their mission to build a top-tier mortgage company where their employees are empowered, valued and excited to drive growth by helping more families achieve the dream of homeownership, PMR specializes in a wide range of financing solutions, including Conventional, FHA, VA, USDA, HUD 184, and Reverse Mortgages

Premier Mortgage Resources' application material, quality control plan, and financials have been reviewed and approved by staff, and they meet all requirements for

Montana Department of Commerce | commerce.mt.gov | Montana Board of Housing
P.O. Box 200528 | Helena, MT 59620-0528 | Phone: 406-841-2840 | Fax: 406-841-2841
Montana Relay 711: dphhs.mt.gov/detd/mtap/traditionalrelayservice



becoming a Montana Board of Housing Participating Lender. Their full application and financial information are available for Board members to review upon request.

PROPOSAL

Staff requests the Board approve Premier Mortgage Resources, LLC as a Participating Lender for Montana Board of Housing.

HOMEOWNERSHIP PROGRAM DASHBOARD

October 21, 2025

RATES

	CURRENT	LAST MONTH	LAST YEAR
MBOH*	5.625	5.63	5.500
Market	6.19	6.05	6.330
10 yr treasury	4.13	4.05	4.040
30 yr Fannie Mae	6.53	6.53	6.530

*Current Setaside 5.375, DPA 5.875

MBS PROGRAM

RESERVATIONS

September NUMBER	September AMOUNT
---------------------	---------------------

Series 2025 B (since 6.9.25) 37 10,917,923

Series 2025 B DPA (since 6.9.25) 27 332,655
80% Combined (20+) 4 836,750

SET-ASIDE PROGRAMS

MBOH Plus DPA 2 29,750
NeighborWorks 2 510,123
CAP NWMT CLT
Missoula HRDC XI
Bozeman HRDC IX
Home\$tart
HUD 184
MT Street CLT
Sparrow Group
City of Billings
Foreclosure Prevent
Disabled Accessible
Lot Refi
FY25 Habitat

OTHER PROGRAMS

Veterans (Orig) 3 1,069,259
912 Mrtg Cr Cert (MCC) 2 635,000

LOANS PURCHASED BY IHFA

September NUMBER	September AMOUNT
---------------------	---------------------

82 22,801,663 1st Mortgages only

DELINQUENCIES

First Mortgages
30-59 days 60-89 89-120+
6 1 2

DPA
30-59 60-89 89-120+
5 1 1

FORECLOSURES

First Mortgages 0
DPA 0

SEPTEMBER MBS TURNTIMES

Lender reservation to closing date	17.19	days
Closing Date to compliance submission	28.89	days
Compliance Submission to review time	2.07	days

LOAN PURCHASES BY LENDER

	Aug-25 1st	DPA	2025 YTD 1st	DPA
1ST SECURITY BK MISSOULA 133	1		5	1
BANK OF COMMERCE 086				
BAY EQUITY LLC 853				
BRAVARA BANK 186			4	4
CHURCHHILL MORTGAGE 869	3	2	8	2
CLEARWATER FEDERAL C U 901			1	
CMG 874			4	3
CORNERSTONE HOME LENDING 850			2	
CROSSCOUNTRY MORTGAGE 863	1		19	6
ENVOY 871			2	1
EVERGREEN MORTGAGE 875	11	1	70	25
FAIRWAY INDEPENDENT MRTG 847	3	3	26	11
FIRST BANK OF MONTANA 073			1	1
FIRST COLONY MORTGAGE 865				
FIRST FEDERAL BANK & TRUST 731			1	
FIRST INTERSTATE BANK-WY 601			4	2
FIRST MONTANA BANK 172			1	1
FIRST SECURITY BOZEMAN 061				

FLATHEAD HABITAT 991				
GLACIER BANK KALISPELL 735			2	
GUARANTEED RATE 864	1		8	5
GUILD MORTGAGE COMPANY 842	5	4	42	23
HOMETOWN LENDERS 862				
INTREPID CREDIT UNION 903			1	1
LOWER DOT COM, LLC 873	7	4	35	19
NEW AMERICAN FUNDING 878	1	1	2	1
NOVUS 872	2		8	6
ONE TRUST HOME LOAN 868	1		4	
OPPORTUNITY BANK 700	6	1	63	15
PIONEER SAVINGS AND LOAN 710				
PRIME LENDING 851			5	1
SECURITY NATIONAL MTG CO 879			2	2
STOCKMAN BANK OF MT MILES 524	18	8	73	29
SYNERGY ONE LENDING 880	3	2	14	8
UNION HOME MORTGAGE 876			2	2
UNIVERSAL 843				
US BANK 617				
VALLEY BNK DIV OF GLACIER BNK 151	1		8	5
WESTERN SECURITY BANK 785	3	1	19	10
WINTRUST MORTGAGE 867	1		6	5
YELLOWSTONE BANK 161	1		4	1
Grand Count	69	27	446	190

August 2025 PORTFOLIO SUMMARY

	# of loans	\$ of loans	% of #	% of \$	
FHA	3,131	502,420,053	51.3%	68.0%	
RD	819	87,627,607	13.4%	11.9%	
VA	466	95,187,347	7.6%	12.9%	
HUD184	34	2,045,112	0.6%	0.3%	
PMI	30	1,858,771	0.5%	0.3%	
Uninsured 1st	289	38,455,099	4.7%	5.2%	
Uninsured 2nd	1,338	11,089,946	21.9%	1.5%	
August 2025 Portfolio Balance	6,107	\$ 738,683,934			
August 2024 Portfolio Balance	5,577	\$ 609,250,772	9.50%	21.24%	percent of Incr/Decr

Weighted Average Interest Rate 4.729%

rates up to 4%	
2354	\$ 234,496,032
rates 4% and above	
3753	\$ 504,187,902

RAM PROGRAM SEPTEMBER ACTIVITY

<u>Loan Requests</u>	<u>Loans Outstanding</u>	<u>Life of Program</u>	<u>Avail Balance</u>
1 150,000	46 2,760,016.74	251 16,516,329	4,724,165.36

DELINQUENCY AND FORECLOSURE RATES

	MONTANA BOARD OF HOUSING			MORTGAGE BANKERS ASSOC.06/30/2025			(most recent available)
	<u>Aug-25</u>	<u>Jul-25</u>	<u>Aug-24</u>	<u>Montana</u>	<u>Region</u>	<u>Nation</u>	
30 Days	1.69	1.44	1.56	1.50	1.74	2.10	
60 Days	0.88	1.00	0.90	0.47	0.58	0.72	
90 Days	<u>2.38</u>	<u>2.10</u>	<u>2.37</u>	<u>0.64</u>	<u>0.8</u>	<u>1.11</u>	
Total Delinquencies	4.95	4.54	4.83	2.61	3.12	3.93	
In Foreclosure	0.35	0.40	0.27	0.31	0.30	0.48	

Mortgage Servicing Program Dashboard
Effective 09/30/25

2025 Monthly Servicing Report

MONTH	Last Year	Last Month	This Month
	9/30/2024	8/31/2025	9/30/2025
PORTFOLIO TOTAL LOANS	6309	6108	6063
MBOH	5632	5452	5413
BOI - 267 now assigned to MBOH	294	286	285
MULTIFAMILY	20	21	17
HAF - HOMEOWNERS ASSISTANCE FUND	363	349	348
PRINCIPAL (ALL LOANS)	\$ 711,516,942	\$ 708,459,578	\$ 701,452,598
ESCROW (ALL LOANS)	\$ 6,343,404	\$ 7,121,900	\$ 7,050,216
LOSS DRAFT (ALL LOANS)	\$ 811,294	\$ 863,643	\$ 984,695
LOANS DELINQUENT (60+ DAYS)	277	283	274
ACTUAL FORECLOSURE SALES IN MONTH	2	2	2
FORECLOSURES TOTAL CALENDAR YEAR	6	5	7
DELINQUENT CONTACTS TO MAKE	699	659	645
LATE FEES - NUMBER OF LOANS	1004	944	1079
LATE FEES - TOTAL AMOUNT OF REVENUE	\$ 31,072.16	\$ 31,041.51	\$ 35,580
PAYOFFS	41	31	47
NEW LOANS	78	4	3

HUD's National Servicing Center TRSII SFDMS Reporting
FY 2025 Q2 Scorecard: 64.21% Final Average Score / Tier 3*

LOSS MITIGATION	Last Year	Last Month	This Month
	9/30/2024	8/31/2025	9/30/2025
ACTIVE FINANCIAL PACKETS	0	2	3
REPAYMENT/SPECIAL FORBEARANCES	0	2	3
COVID 19 FORMAL FORBEARANCES	0	0	0
PARTIAL CLAIMS & MODS PENDING	14	19	21
CHAPTER 13 BANKRUPTCIES	7	5	5
PRESERVATION PROPERTIES	9	6	8
REAL ESTATE OWNED PROPERTIES	1	1	1
SHORT SALE	0	0	2
3RD PARTY (@ SALE)	0	1	0

FORECLOSURES

	9/30/2025
FORECLOSURES INITIATED	17
#1 BILLINGS	4
#2 KALISPELL	3
#3 GREAT FALLS	2
OTHER CITIES	8
TOTAL PRINC BALANCE (ALL)	\$ 2,567,304
FORECLOSURE SALES SCHEDULED	11
FHA	6
VA	0
USDA/RD	5
OTHER LOAN TYPE	0

*Decrease in FHA Tier Score relates to a new EDI transfer file established for SFDMS reporting and "fatal errors" with some data transmitted. Loss mitigation staff are working with Commerce IT and our software vendor to resolve; additional training and discussion with the loss mitigation team and QC specialist to identify and remedy prior "fatal errors" is underway.

Board Agenda Item

Board Meeting: October 21, 2025

Operations / Executive Director

BOARD MEETINGS

- The next Board meeting will be held on Monday November 10, 2025, at 8:30 a.m. via Zoom.

BOARD MEMBER OPPORTUNITIES

- Save the date – NCSHA LegCon – March 9-11, 2026. Come to Washington this March to help NCSHA educate your legislators about the impact of federal housing programs in your state and the need to expand housing resources. NCSHA is bringing to LegCon key members of Congress and their staffs, senior federal officials, and industry leaders to get their insights on the 2026 legislative agenda — information that will help you advocate most effectively for our affordable housing priorities.

CONTRACTS / PROCUREMENT

- Emphasys is due for renewal in December; received annual module maintenance costs from Emphasys to incorporate in the contract renewal for 2026.

PERSONELL

- Kylee Hughes (Administrative Specialist) departed the Board on October 3 for a promotional opportunity at the MT Department of Transportation. We are currently recruiting for her position.
- Mary Palkovich (Program Manager for Mortgage Servicing) departed the Board on October 3 for a position with the MT Department of Revenue. We are currently recruiting for her position.
- Julia Meagher (Julie) joins us as the new MBOH Mortgage Accounting Specialist. Ms. Meagher has prior state accounting experience with the MT Department of Corrections, and most recently as a contract worker with the MBOH accounting team earlier this year.

COMMUNITY HOUSING

- On September 17, Commerce received 14 applications requesting \$2.8 million in Community Development Block Grant funds, \$5.4 million in HOME Investment Partnerships Program funds and \$5.4 million through the National Housing Trust Fund. The applications propose new construction and rehabilitation of affordable rental homes, including permanent supportive housing, and new construction of a group home and single-family homes for sale. In addition, Commerce has received applications for homebuyer assistance using HOME funds and for single-family rehabilitation using CDBG funds. Commerce has approximately \$3,150,000 available in (2024 and 2025) CDBG funds for activities to address homelessness and to rehabilitate affordable housing, including single-family



homes; \$2,713,000 for HOME-eligible activities, including homebuyer assistance; and \$2,821,000 in HTF for rental properties.

- Staff members are concluding their review of applications and expect to have recommendations finalized in November.
- During the federal government shutdown, HUD's payment system has continued to operate, ensuring Commerce can disburse funds as usual.
- Commerce has signed grant agreements for 2025 allocations of CDBG, HOME and HTF and returned those to HUD for signatures, with no definitive expectation for when the agreements will be executed.

HOMEOWNER ASSISTANCE FUND

- A total of 3,420 applications have been submitted to all statewide programs as of October 8, 2025
- HAF has spent over \$21.5 million on all programs.
- Winding down the bid reviews on remaining Home Repairs applications and expect to have all open Home Repairs cases in an approved state of construction by the end of November.
- Recruiting for a Compliance Specialist for open Quality Reviewer position.
- Preparing for the upcoming audit in early 2026.

EXECUTIVE DIRECTOR

- Fair Market Rent Update
 - Montana High Cost Cities Rent Analysis



- Continued work with Senator Daines' office on a letter to Secretary Turner to request HUD allow Montana PHAs until December 2026 to spend down our increased budget authority before HUD takes off-set actions against our HUD-Held Reserves.
- Commerce PHA has issued approximately 375 vouchers to waiting list applicants since we resumed voucher issuance in July 2025.'
- As of October 14, 2025, 32 new admissions (meaning successful lease-ups) have been processed.
- Government Shutdown
 - HUD Contingency Plan
- HB 924 Updates:
 - MOU executed with MBOI on August 5, 2025.
 - Meeting with DOR held September 29, 2025 to confirm fund types. DOR is preparing a draft MOU for MBOH's review.
 - Homeownership team worked with DOI Executive Director to assign Veterans' Home Loan Program loans from MBOI to MBOH (about 270 loans). This work was completed by October 1 to take advantage of lower recording fees before increases under new state legislation went into effect.
 - Proposed Administrative Rules were published Friday, September 26 and public comment will run through Friday, October 24, 2025.
 - Public comments must be emailed to docadministrativerules@mt.gov or can be provided verbally during the October 22 public hearing (details, including link to proposed ARMs, on following page).

Public Hearing: Montana Board of Housing HB 924 ARMs

Public Hearing: Notice of Proposed Rulemaking

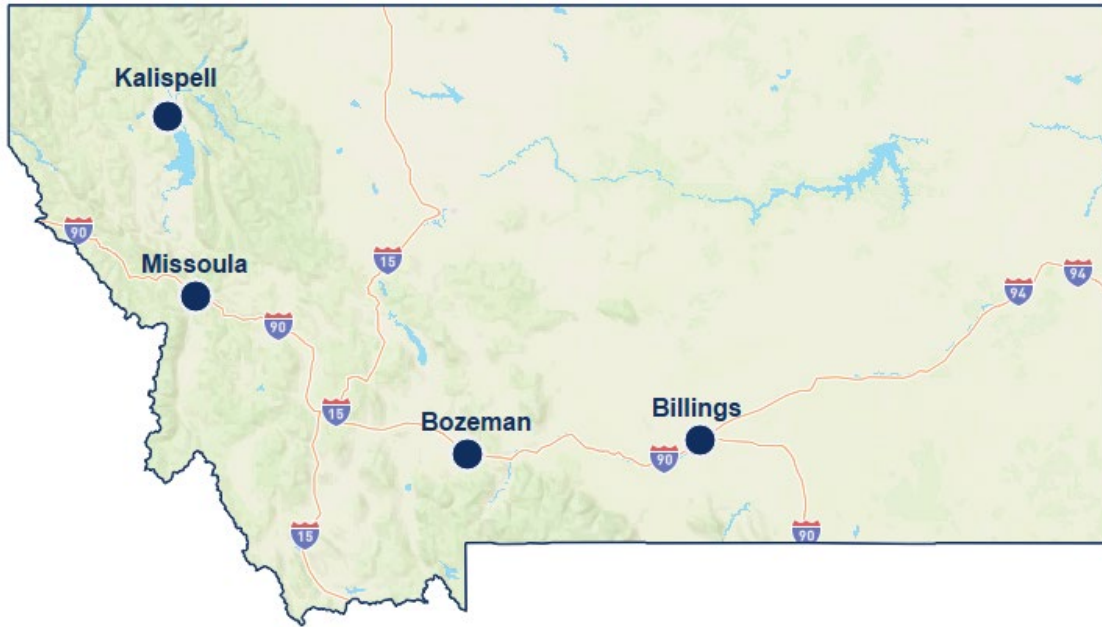
In the matter of the Amendment of ARM 8.111.501, 8.111.502, 8.111.503, 8.111.504, 8.111.505, 8.111.506, and 8.111.507 pertaining to the Housing Montana Fund and Montana Housing Trust - Housing Montana Fund; amendment of ARM 8.111.701, 8.111.702, 8.111.703, 8.111.704, 8.111.705, 8.111.706, and 8.111.707 pertaining to the GO Housing: Montana Veterans' Home Loan Act; and amendment of ARM 8.111.801, 8.111.802, 8.111.803, 8.111.804, 8.111.805, 8.111.806, and 8.111.807 pertaining to the Montana Housing Trust - Multifamily Homes Program.

[View the Public Notice Document published on Sept. 26](#)

Location: Virtual

Join by Zoom: [Meeting Link](#) | Webinar ID-881 9638 6475 | Passcode-760996

Montana's Major Rental Markets

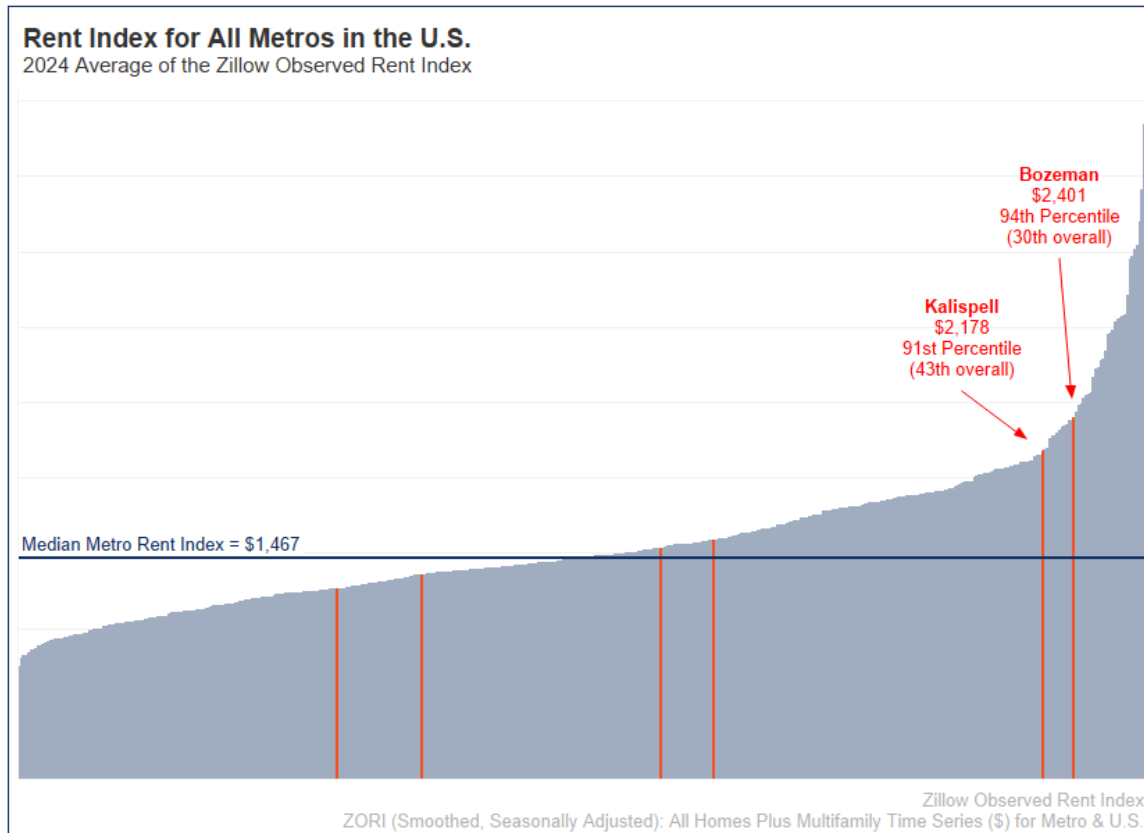
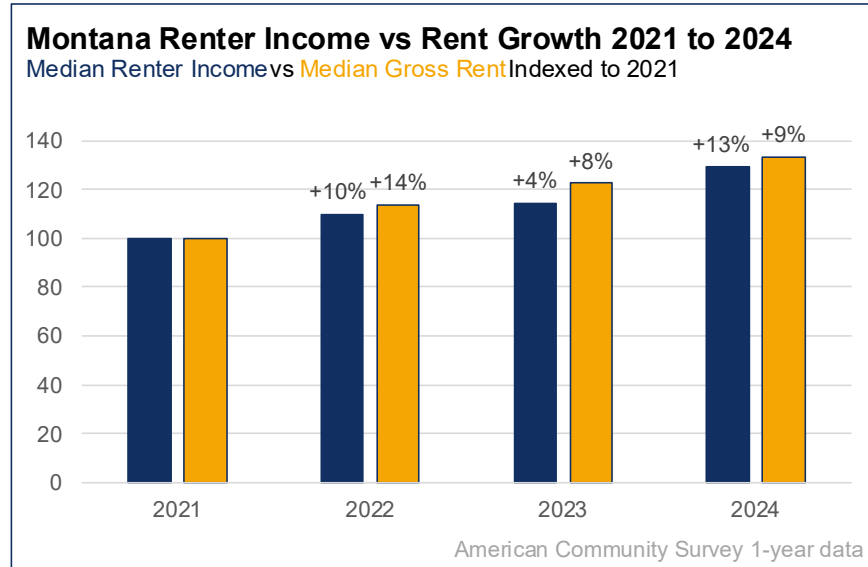


Since 2019, rents have grown substantially nationwide, and Montana is no exception. According to Zillow's rent index, rents in the United States have increased +34% (+ \$515/month) on a nominal basis. Rents in Billings and Missoula, two of Montana's biggest rental markets, have increased 45% (+ \$421/month) and 55% (+ \$545/month) respectively. Montana also contains comparatively expensive rental markets such as Bozeman and Kalispell. Located near two major national parks, these two markets have rents exceeding \$2,000/month making them prohibitively expensive for local renters. These two markets lack Zillow data from 2019, but both have experienced similar, rapid rent increases as seen in places like Missoula.

Broadly, Montana is perceived as a relatively affordable place. However, the state has experienced a massive influx of new residents since 2020 and has only recently been able to rapidly develop housing to meet the increased demand. Between 2021 and 2024, Montana's median gross rent increased 33%, which exceeded the national growth rate during the same period of 25%. Renter incomes in the state have only

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recently caught up with a 30% growth rate from 2021 to 2024 with over half of that increase occurring between 2023 and 2024.





Bozeman MSA Highlight

Bozeman, MT has emerged as one of the most competitive rental markets in the Mountain West due to rapid population growth, its appeal as a hub for outdoor recreation, a growing technology sector, a flagship university, and a robust tourism economy that draws on the rental supply. In 2024, the Zillow Rent Index averaged \$2,401, positioning Bozeman in the 94th percentile of all metros in the U.S. and alongside high-demand rental markets such as Washington, D.C., Seattle, and California's North Bay. The Zillow Rent Index for the Bozeman market reflects a wide range of communities, such as expensive destination towns like Big Sky and West Yellowstone as well as more affordable areas such as Three Forks and Belgrade.

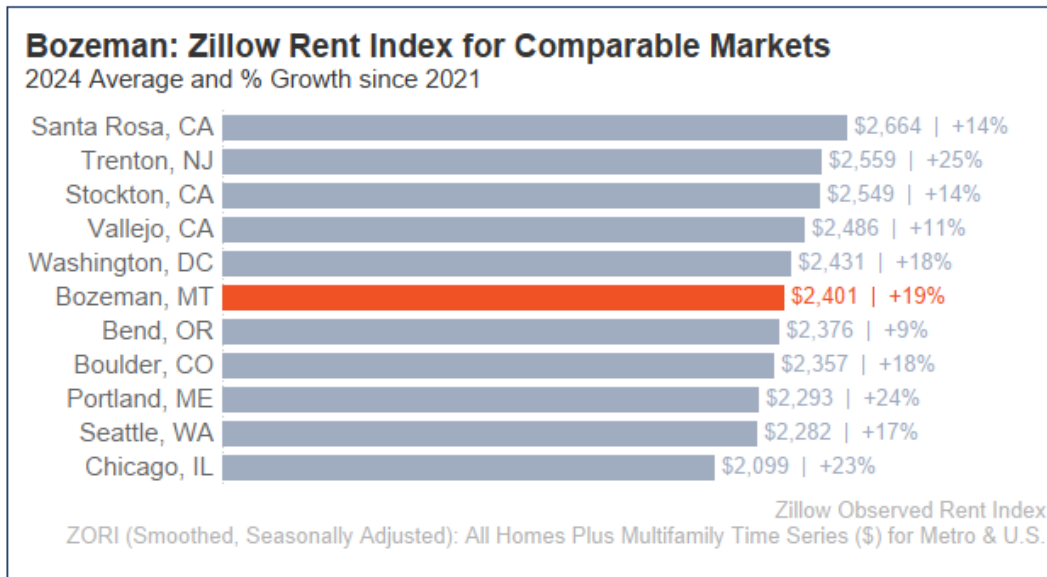
The market's median renter income of \$75,072 suggests a relatively high income base, yet roughly half of Bozeman's renters remain cost burdened paying more than 30% of monthly income toward housing costs. Based on 2023 ACS 5-year data, there is a shortfall of about 2,500 rental units affordable to those below the median renter income in Bozeman.

As in other expensive markets, a segment of renters is effectively priced out of the area due to persistently high rents like those Bozeman has experienced since 2021. However, a recent surge in new apartment supply – over 1,000 units delivered in 2024 – have pushed multifamily vacancy rates to over 10%, leading to rent concessions or small declines in asking rent. This combination of rapid supply growth, persistently elevated rents, high but uneven incomes, and a shifting tenant base underscores Bozeman's affordability challenges, which mirror those of much larger metropolitan areas.





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Kalispell MSA Highlight

Kalispell, MT, located near the gateway to Glacier National Park, stands out as a sought-after rental market, renowned for its outdoor recreation opportunities. In 2024, the Zillow Rent Index averaged \$2,178 for the MSA placing it in the 91st percentile of all metros in the U.S. The rental index for Kalispell is partially influenced by nearby, high-demand areas like Whitefish, MT. With 12,533 renter households and a median renter income of \$56,487, Kalispell's rental market presents distinct affordability challenges: many residents contend with rents far above what is manageable for moderate incomes, similar to the rental markets in Santa Fe, New Haven, and Charleston. High rents and only modest renter incomes underscore an ongoing tension in the market, where the influx of newcomers and pressure from vacation rentals continue to drive competition for housing.





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Kalispell: Zillow Rent Index for Comparable Markets

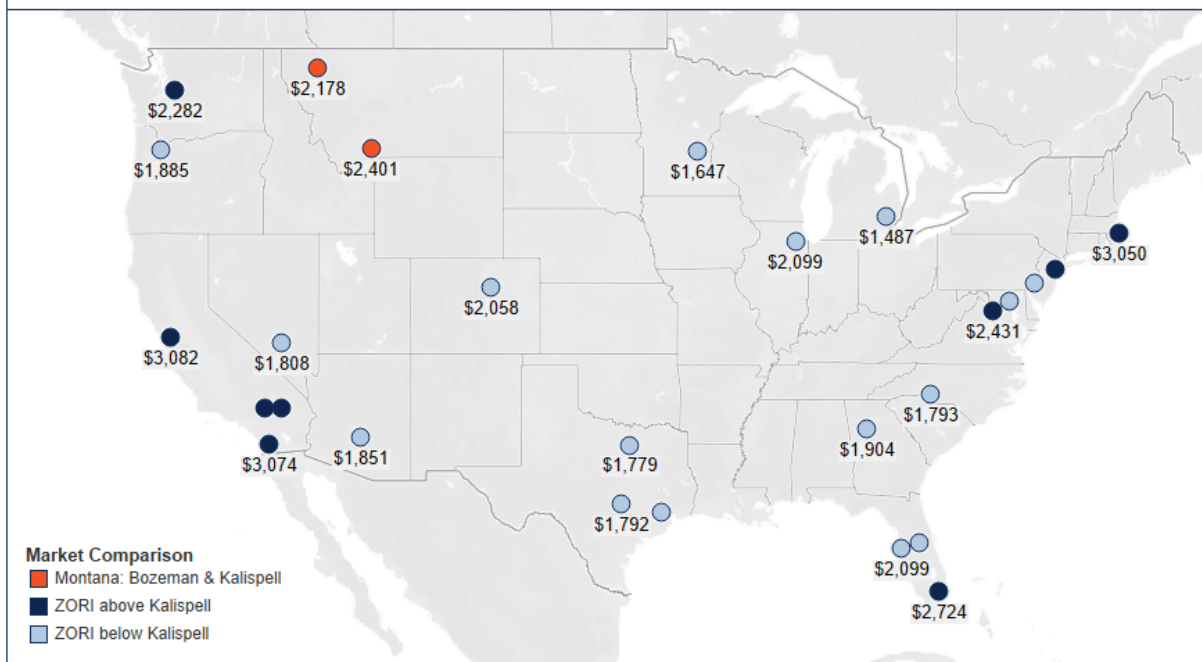
2024 Average and % Growth since 2021



Zillow Observed Rent Index
ZORI (Smoothed, Seasonally Adjusted): All Homes Plus Multifamily Time Series (\$) for Metro & U.S.

Major Market Comparison: 2024 Rental Index

Bozeman & Kalispell Compared to the 25 largest rental markets in the United States





HUD Contingency Plan for Possible Lapse in Appropriations 2025

September 29, 2025

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b) Sample Notice to Employee Occupying an Excepted Position	Error! Bookmark not defined.
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c) Sample Notice to Employee to Return to Work on a Limited Basis	Error! Bookmark not defined.
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d) Sample Letter to Creditor.....	Error! Bookmark not defined.
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e) Sample Furlough Notice for Non-Excepted Employees.....	Error! Bookmark not defined.
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f) Lapse in Appropriations Frequently Asked Questions (FAQs) for HUD Employees	Error! Bookmark not defined.
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General Questions.....	Error! Bookmark not defined.
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Lapse in Appropriations Process	Error! Bookmark not defined.
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Access to HUD Offices During a Shutdown	Error! Bookmark not defined.
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1. General Guidance and Legal Decisions

The Constitution, statutory provisions, court opinions, and Department of Justice (DOJ) opinions provide the legal framework for how funding gaps and lapse in appropriations have occurred in recent decades. Additionally, the Office of Management and Budget (OMB) provides agency guidance in OMB Circular A-11, Section 124.

The Constitution provides, “No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law.” The Antideficiency Act prohibits all officers and employees of the federal government from entering into obligations in advance of appropriations and prohibits employing federal personnel except in emergencies, unless otherwise authorized by law. 31 U.S.C. sections 1341 *et seq.*

The Attorney General issued two opinions in the early 1980s that the language and legislative history of the Antideficiency Act unambiguously prohibit agency officials from incurring obligations in the absence of appropriations ("Applicability of the Antideficiency Act Upon a Lapse in an Agency's Appropriations" (1980) and "Authority for the Continuance of Government Functions During a Temporary Lapse in Appropriations" (1981)). The Office of Legal Counsel of the Department of Justice issued an opinion dated August 16, 1995, that reaffirms and updates the 1981 opinion.¹

When the Congress fails to act on program supplementals and the result is partial funding interruptions, special procedures beyond those outlined in this section may be warranted. In such cases, agencies must consult OMB. In the absence of appropriations:

- Federal officers may not incur any obligations that cannot lawfully be funded from prior appropriations unless such obligations are otherwise authorized by law.
- Federal officers may incur obligations as necessary for orderly termination of an agency's functions, but funds may not be disbursed.²

In 1995, the Department of Justice Office of Legal Counsel provided a legal opinion that identifies the types of activities that can take place during a lapse in appropriations. This includes (1) activities to address cases of threat to human life or property where the threat can be reasonably said to be near at hand and demanding of immediate response; (2) government functions funded with multi-year appropriations or indefinite appropriations; (3) express authorizations for agencies to enter into contracts or to borrow funds to accomplish their missions (without appropriations); (4) obligations necessary to discharge of the President's constitutional duties and powers; and (5) the orderly termination of functions that may not continue during a period of lapsed appropriations.³

¹ OMB Circular A-11, Section 124;

<http://www.whitehouse.gov/sites/default/files/omb/assets/a11currentyear/s124.pdf>

² OMB Circular.

³ See Department of Justice Office of Legal Counsel Memorandum Re: “Government Operations in the Event of a Lapse in Appropriations” from Assistant Attorney General Walter Dellinger to Alice Rivlin, Director, Office of Management and Budget, dated August 16, 1995.

2. Guidance for Program Operations

a) Available Resources for HUD Salaries and Expenses Funding During a Lapse in Appropriations

HUD may have available a limited amount of two-year salaries and expenses funding carried over from the prior FY that could sustain some limited government operations. However, any available carryover funding will be limited by both purpose and amount. As an impending lapse approaches, OCFO-Budget will survey available carryover funding and project if any such funding would be available to sustain government operations across the Department's various programs or funding streams, and, if so, which (if any) of the various programs or funding streams may be funded and for how long.

HUD senior leadership will evaluate all available carryover salaries and expenses funding and make the necessary determinations regarding its use. For the limited period of time and scope of work that is able to be continued with carryover funding, if any, normal operations may proceed, and furlough notices will not be issued. Upon a determination by HUD senior leadership that continued operations cannot be sustained, the following guidance shall apply.

b) Treatment of Prior Continuing Resolution Resources During a Lapse in Appropriations Not Beginning on October 1

When a lapse in appropriations begins on a date other than October 1 (the first day of a new fiscal year), all funds previously appropriated for that fiscal year pursuant to any preceding short-term continuing resolutions (CRs) that have now lapsed are expired funds that are no longer available for new obligations. Legally binding obligations entered into by the Department using these now expired CR funds remain valid if they were properly executed before the lapse occurred. However, expired CR funds are not available for new obligations.

c) Definition of Excepted

In the event of a lapse in appropriations due to a lapse in appropriations, most Federal employees are required to stop work because no funds would be available to pay staff and the government is prohibited from accepting voluntary services. A limited number of employees are "excepted" from this general rule based on the functional activity they perform.⁴ This list should include:

1. Employees who are necessary to address emergency situations where the failure to perform those functions would result in an imminent threat to the safety of human life or the protection of property.
2. Employees who perform functions that are funded through fees or under multi-year (as opposed to annual) appropriations.

⁴ See Department of Justice Office of Legal Counsel Memorandum Re: "Government Operations in the Event of a Lapse in Appropriations" from Assistant Attorney General Walter Dellinger to Alice Rivlin, Director, Office of Management and Budget, dated August 16, 1995.

3. Employees who perform functions that are related to express authorizations to contract or borrow without an appropriation.
4. Employees necessary to meet the obligations necessary to the discharge of the President's constitutional duties and powers. This is understood to be employees necessary to interpret statutes, such as the Antideficiency Act, to avoid significant constitutional issues.
5. Employees necessary to support activities that an agency must continue, in the absence of appropriations, because their continuation is "necessarily implied" from the authorized continuation of other activities. These include congressionally authorized or appropriated functions for which Congress has provided funding that remains available during the lapse, where the suspension of the related activity would prevent or significantly damage the execution of the terms of the statutory authorization or appropriation.⁵
6. Employees who are required for the orderly termination of agency functions. (This exception also includes those employees who are required to perform activities necessary for orderly start-up. For additional information about orderly start-up activities, please refer to the relevant portions of the Internal Communications Plan beginning on page 35.)

Presidential appointees, who are confirmed by the Senate, are not subject to the furlough. While they will not be paid until the lapse has ended and funds are appropriated for their salaries, their authorized work activities are not curtailed during a lapse in funding. However, Schedule C, non-career SES, and career SES have no special status in the case of a lapse in appropriations. They must be deemed "excepted" or "not excepted" based upon the duties they perform, and if "excepted," may only perform excepted work.

d) Compliance with OMB Circular A-11

For the duration of the lapse in appropriations, the automatic apportionment issued by OMB will serve as the obligational authority for necessary HUD operations in the absence of appropriations. Under this Bulletin, OMB apportioned amounts necessary for obligations required in order to carry out the Department's Contingency Plan which was required by OMB Circular A-11, Section 124. The automatic apportionment provides authority to obligate such funds but does not provide any authority to liquidate such funds. No allotments will be issued with respect to such automatic apportionment during the a lapse in appropriations, since such Contingency Plan will limit and control activity and associated funding during the lapse in appropriations. The automatic apportionment does not affect previously approved apportionments (e.g., apportionments of carryover or other multi-year funding). Therefore, HUD will operate, but only consistent with such Contingency Plan, under such previously approved apportionments and allotments (issued by OCFO) for those other funding sources and follow normal funds control procedures including verification of available funds prior to reservation and obligation of such funds.

⁵ For further discussion on this category of excepted activities, please see Office of Management and Budget (OMB) Memorandum, *Frequently Asked Questions During a Lapse in Appropriations*, beginning at page 2, available at [Agency-Lapse-FAQs-9-23-21.pdf](https://www.whitehouse.gov/wp-content/uploads/2023/09/Agency-Lapse-FAQs-9-23-21.pdf) ([whitehouse.gov](https://www.whitehouse.gov)).

HUD will avoid undertaking new or different activities from those identified within this plan, unless a prior legal determination is made that the proposed activities fall under one of the exceptions. As set forth specifically within this document, the Secretary has determined the activities that are essential to operate HUD during a lapse in appropriations. HUD estimates that a half-day (four hours) would be needed to orderly shutdown.

Lapse Plan Summary Overview	
Estimated time (to nearest half day) required to complete lapse in appropriations activities:	<i>4 hours (1/2 day)</i>
Total number of agency employees expected to be on board before implementation of the plan:	6,105
Total number of employees to be retained under the plan for each of the following categories	
Compensation is financed by a resource other than annual appropriations:	<i>143⁶</i>
Necessary to perform activities expressly authorized by law	<i>2 FTEs</i>
Necessary to perform activities necessarily implied by law ⁷	<i>1185 FTEs</i>
Necessary to the discharge of the President's constitutional duties and powers:	<i>2 FTEs</i>
Necessary to protect life and property:	<i>414 FTEs</i>
Brief summary of significant agency activities that will continue during a lapse:	
Much of HUD's activities supporting FHA's portfolio of insured mortgages, as well as Ginnie Mae's work within the secondary mortgage market, which are vital to the stability and liquidity of the National economy will continue during a lapse.	

⁶ Technically all HUD employees (other than OIG employees) are now funded from appropriations other than annual; however, we do not anticipate sufficient resources to retain all employees under a lapse with these amounts. Accordingly, we have not included those employees within this number.

⁷ The responses here include both full-time and intermittently excepted employees. The majority of HUD employees retained will perform excepted duties across a number of categories. For those employees, because their initial duties and/or the majority of their duties fall within the necessarily implied exception, including orderly termination and orderly resumption of duties, they have been identified within that category.

- In addition, the majority of HUD's annual grant programs, including those that provide for emergency housing for the homeless and persons living with HIV-AIDS, continue to operate in States and local communities across the country when such grant funding has already been obligated.
- Many of HUD's programs addressing imminent threats to the health and welfare of HUD tenants and children will continue where such grant funding has already been obligated before the lapse occurs.
- Monthly subsidy programs such as the public housing operating subsidies, housing choice voucher subsidies, and multifamily assistance contracts will continue to operate for as long as the funding remains available.

Brief summary of significant agency activities that will cease during a lapse:

- Monthly subsidy programs such as the public housing operating subsidies, housing choice voucher subsidies, and multifamily assistance contracts can be at risk of running out of funding during a lapse period.
- Nearly all of HUD's fair housing activities will cease during a lapse.

	Number of Employees (National Finance Center Records)	Approximate Number of Excepted and Exempt Full-time Employees as projected	Fees, No-year, or Multi-year Appropriations	Approximate Maximum Number of Recalled/ Intermittent Employees on any given day
<u>Administrative Offices & Management</u>				
Executive Offices	70	16	-	7
Field Policy and Management	191	28	-	53
Chief Human Capital Officer	139	3	-	5
Chief Financial Officer	191	3	4	34
Chief Information Officer	188	26	-	41
Chief Procurement Officer	97	9	-	31
Administration	192	22	7-	26

General Counsel	386	24	-	115
Departmental Equal Employment Opportunity	14	-	-	-
Program Offices				
Housing	1820	76		463
Public and Indian Housing	1052	5	2	41
Fair Housing and Equal Opportunity	315	6	-	15
Policy Development and Research	137	2	-	10
Lead Hazard Control and Healthy Homes	40	2	-	3
Community Planning and Development	578	3	101	18
Office of Inspector General	477	2	29	50
Ginnie Mae	2188	17	-	53
TOTAL	6105	244	143	965

The reasons for the retention of excepted employees are set forth in this document by program office. Additionally, during lapse in appropriations, HUD anticipates that a modest number of employees, up to 965, would be called in on an intermittent basis to work solely on excepted activities.

3. Excepted Activities by Office

a) Office of Public and Indian Housing (PIH) (including the Office of Native American Programs)

Excepted work by the Office of Public and Indian Housing during a lapse in appropriations includes the performance of functions that are funded through multi-year appropriations or no-year (“x-year”) appropriations, including staff work to perform the minimum necessary supporting activities for such functions described in this plan, or where the failure to perform those functions would result in an imminent threat to the safety of human life or the protection of property, as identified below:

- Keep open the line of credit control system for the purposes of disbursing previously obligated funds for public housing (operating subsidies and capital funds) and Indian programs.
 - Where further action or review by HUD employees is not required for funds to be drawn down from the system, grantees will be able to draw funds normally.
 - Where further action or review by a HUD employee is required before a grantee may access previously obligated funds, PIH will recall employees intermittently to review and approve or deny disbursement requests as necessary to avoid an imminent threat to the safety of human life or property.

- Manage the HUD Central Accounting Program System (HUDCAPS) and Enterprise Voucher Management System (eVMS) for purposes of disbursing previously obligated funds for section 8 tenant-based rental assistance (Housing Assistance Payments and Administrative Fees). A PHA's HUD-held Housing Assistance Payments (HAP) reserves may be requested (or may be automatically disbursed) to address emergency situations, including where families are at risk or terminations of assistance or where PHAs cannot afford to pay their contractual Housing Assistance Payments to Owners.
- Work closely with OCFO to identify, when previously obligated Operating Subsidy, Housing Assistance Payment (HAP), or HAP Administrative Fee allocations may be insufficient to support ongoing program operations, if any available carryover funding remains or advance appropriations are available that can be used to fund these subsidy programs. If such funds are available, the necessary obligational actions will be taken to make such funds available for timely disbursement. Note that only no-year or multi-year amounts appropriated in a prior year will be legally available for this purpose, and no amounts made available by now-expired Continuing Resolutions (CRs), can be utilized.
- At PHAs in receivership or HUD possession, HUD staff continue to assist with (and/or carry out) functions delegated to the PHA Recovery Administrators/Receivers/Executive Directors. Contracts, where funds are previously obligated, may continue performance.
- Existing Technical Assistance and Capacity Building cooperative agreement awards, where funds have been previously obligated and work plans have been approved, may continue performance. Actions that require HUD staff review and approval, such as the review and approval of new TA requests, workplan amendments or modification of workplans and new workplans, will not take place during a lapse in appropriations. However, if such proposed actions are related to an imminent threat to life or property, HUD staff will be recalled to review and approve TA requests, new workplans, and workplan amendments and modifications.
- Conduct closings on Mixed Finance and Choice Neighborhoods transactions where the failure to close by a set date would threaten the property and demands immediate response (e.g., loss of Low-Income Housing Tax Credits, New Markets Tax Credits and/or other critical financing commitments). Depending on the circumstances, further legal consultation will occur.
- In the event of an emergency (e.g., a contract termination due to safety and health violations; submission of an emergency/disaster Section 18 application, etc.), process a tenant protection action to provide vouchers for families to move from the project.
- The Real Estate Assessment Center (REAC) Technical Assistance Center (TAC) will be operational and available to receive and answer questions related to both Multifamily and PIH financial submissions, all inspection inquiries, resident income verification and other such technical areas managed by the REAC. However, responses that require HUD staff review or approval will be delayed until the lapse in appropriations has ended.

- Respond to any other issues directly related to the imminent threat to the safety of residents or the protection of property.

Public housing agencies and other grantees continue operating in the event of a federal government lapse in appropriations. There are existing IT systems that will be available to public housing agencies allowing them to draw down obligated funding from prior years and conduct other activities without further action or review by HUD employees. The systems below are considered excepted activities that are necessary to protect property and records:

- Enterprise Income Verification
- Inventory Management System/PIH Information Center (IMS/PIC)
- Voucher Management System (VMS)
- Enterprise Voucher Management System (eVMS)
- Financial Assessment Sub-System
- Physical Assessment Sub-System
- Integrated Assessment Sub-System
- Management Assessment Sub-System
- Technical Assistance Center
- Energy and Performance Information Center (EPIC) System
- Line of Credit Control System (LOCCS)
- HUDCAPS
- Grants Evaluation and Management System (GEMS)
- Native Advantage (NTV)
- CHUMS Lite
- HUD Financial Data Mart
- NSPIRE Application Suite

Inspections

The Department's Real Estate Assessment Center performs inspection services for properties in the portfolios of both the Office of Public and Indian Housing and the Office of Housing.⁸ The inspection protocols for these two portfolios during a lapse are presented below:

- Previously awarded inspections procured by HUD and funded by previous obligations will continue regardless of the reason for the inspection.
- All inspections where the servicing mortgagee bears the responsibility for procuring the inspection will continue.
- For inspections that are to be conducted by HUD employees:

⁸ Properties covered include housing assisted under the HUD programs listed in 24 CFR 200.853(a); housing with mortgages insured or held by HUD, or housing that is receiving assistance from HUD, under the programs listed in 24 CFR 200.853(b); and Public Housing (housing receiving assistance under the U.S. Housing Act of 1937, other than under section 8 of the Act). This does not apply to units assisted under the Housing Choice Voucher (HCV) program, including the Project-Based Voucher Program under the purview of the Office of Public and Indian Housing.

- Where there is reason to believe that there is a threat to life or property at that specific location, the inspection will continue.
 - Where there is no reason to believe that there is a threat to life or property at that specific location, the inspection will be cancelled.
 - When during a lapse in appropriation HUD becomes aware of a threat to life or property, HUD will schedule an inspection to be conducted by a HUD employee.
- For any inspections that occur immediately before or during a lapse:
 - HUD staff will be recalled as appropriate to conduct the activities that are essential to review inspections, identify exigent circumstances, release inspections to HUD field staff, and process inspection payments; and
 - If exigent circumstances are uncovered, HUD staff in either the Office of Public and Indian Housing and the Office of Housing, as appropriate, will be recalled intermittently to take any necessary and appropriate actions to ensure that those emergency circumstances are alleviated consistent with applicable requirements.

b) Office of Community Planning and Development (CPD)

CPD Generally

CPD will continue to make previously obligated CDBG, HOME, HOPWA, Homeless Assistance Grants funds and other grant funds available for draw down by CPD grantees. Where further action or review by HUD employees is not required for funds to be drawn down from the system, grantees will be able to draw funds normally.

- Where further action or review by a HUD employee is required before a grantee may access previously obligated funds, CPD will recall employees intermittently to review and approve or deny disbursement requests as necessary to avoid an imminent threat to the safety of human life or property.
- CPD will perform the necessary review and approval, if there is no valid objection, of environmental requests for release of funds (RROFs) where the failure to act would put the safety of life or property at risk, including where a previously scheduled closing would be impacted.
- CPD will ensure grantee access to eLOCCs, IDIS and DRGR. (Resetting and assigning new passwords and troubleshooting issues where approved grantees are unable to access the system.)
- The Ask A Question (AAQ) Help Desk will remain open and will be available to answer questions received. Responses that require HUD staff review or approval will be delayed until the lapse has ended; however, HUD staff will be available to review and approve or otherwise respond to questions related to an imminent risk to life or property.
- Existing Technical Assistance and Capacity Building grants and cooperative agreement awards, where funds have been previously obligated and work plans have been approved, may continue performance. Actions that require HUD staff review and approval, such as the review and approval of workplan amendments or the modification of workplans, will not take place during a lapse in appropriations. However, if such proposed actions are related to an imminent threat to life or property, HUD staff will be recalled to review and approve workplan amendments or modifications.

- Continue to maintain the IT contracts for CPD systems (e.g., IDIS, DRGR, e-snaps) that support excepted activities.

Note: CPD grantees submit consolidated plans for annual formula funding programs that are deemed approved if not disapproved within 45 days of submission. These are rolling submissions that are due 45 days prior to submission of the start of their program years. CPD grantees select the start dates of their program years. A long term shut down could result in the automatic approval of consolidated plans. The review of the consolidated plans (exclusive of CDBG-DR action plans and substantial amendments) does not fall under an excepted activity.

Continuum of Care (CoC) and Housing Opportunities for Persons with HIV/AIDS (HOPWA) Additional Activities

In addition to the activities listed above, CPD will take certain actions when (1) prior year, unobligated funds remain available for obligation in the Continuum of Care (CoC) and Housing Opportunities for Persons with HIV/AIDS (HOPWA) programs, (2) the award announcements were planned to have occurred during the lapse period, and (3) any further delay of the announcements would create a gap in services. Under these conditions, CPD would take the necessary and appropriate steps to make renewal award announcements and execute grant agreements for those renewal eligible grantees who would experience a gap in services absent announcement and/or a renewal agreement. This activity will enable grantees to continue to provide for the delivery of essential housing and emergency services for homeless persons and persons with HIV/AIDS.

Disaster Recovery Assistance Programs

CPD will continue Disaster Recovery Assistance Programs, which are funded through multi-year or no-year appropriations.

This includes, but is not limited to, activities that may involve the support of HUD staff, such as:

- Previously obligated funds will be available for draw down by grantees. Where further action or review by HUD employees is not required for funds to be drawn down from the system, grantees will be able to draw funds normally.
- Actions necessary to approve grantee voucher drawdown requests that are routed for review or above threshold when there is no valid objection to approval.
- For grantee voucher drawdown requests that are above threshold and there are concerns or questions regarding approval, CPD will recall employees intermittently to review and approve or deny disbursement requests to avoid an imminent threat to the safety of human life or property.
- Review and approval (or disapproval, if appropriate) of CDBG-DR action plans and substantial amendments, including necessary follow-up and technical assistance on disapproved plans or amendments.
- Review and acceptance of CDBG-DR financial management and grant compliance certifications.

- Review and approval, if there is no valid objection, of environmental requests for release of funds (RROFs).
- Recall permanent employees intermittently to maintain the DRGR system when necessary to protect life and property.

The Section 108 Loan Guarantee Program

In the Section 108 Loan Guarantee Program, HUD staff will:

- Take the ministerial actions necessary to follow through on providing permanent financing of Section 108 loans through scheduled public offerings.
- Take limited administrative actions, such as implementing already approved plans and transmitted documents, that are necessary to provide interim and permanent financing for commitments authorized by prior year appropriations and approved before the lapse. (Note that no new commitment authority will be available during a lapse in appropriations.)
- Coordinate with the OCFO to make any scheduled payments on behalf of Section 108 borrowers that are due to Fiscal Agent/Trustee pursuant to underlying agreements (e.g., Fiscal Agency Agreement, Contract for Loan Guarantee Assistance, Promissory Note or HUD's Guarantee).

c) Fair Housing and Equal Opportunity (FHEO)

FHEO recipients will continue to have access to LOCCS, including any funding previously approved for draw before the lapse occurred. FHEO will recall necessary personnel if an emergency arises where the Department must pursue prompt judicial action or obtain restraining orders in a civil rights matter. FHEO will also recall staff that are necessary to respond to a request from the Department of Justice to assist in litigation that has not been stayed. A limited number of FHEO Information Technology personnel are necessary to monitor HEMS and provide system maintenance and fix any system delays/crashes.

d) Office of Housing (Housing)

Excepted work by the Office of Housing during a lapse in appropriations includes the performance of functions that are funded through multi-year appropriations or no-year ("x-year") appropriations, including staff work to perform the minimum necessary supporting activities for such functions described in this plan, or where the failure to perform those functions would result in an imminent threat to the safety of human life or the protection of property. These activities are associated with FHA's portfolio of insured mortgages – multifamily, healthcare, and single family, as well as commitments entered into for project-based rental assistance and Sections 202 and 811 rental assistance and capital advances or with manufactured housing.

Multifamily (MF) Housing**➤ FHA MF Production**

- Conduct closings and endorsements of projects with Firm Commitments/Firm Approval Letters issued prior to a lapse in appropriations and related activities (e.g., review and approve lender requests for amendments to the Firm Commitment, including mortgage increases (subject to handbook processing guidelines) so long as Commitment Authority is available).
- During a lapse in appropriations the following will apply:
 - a. MAP and Risk Share Lenders servicing construction loans may, at their and Owners' and General Contractors' risk, process interim construction or repair (in the case of Section 223(f) project) draws. Limited construction inspection functions may continue where such functions are to be performed under a funded contract, provided the contractor has sufficient capacity to proceed independently or, when necessary, under the oversight of an excepted employee. The GTM for each region will approve the inspection deliverables to assist in processing contractor invoices. HUD will perform or contract for all other construction inspections on a post-review basis at such time the government re-opens.
 - b. MAP and Risk Share lenders may, at their and the Borrower's risk, release funds from the Operating Deficit and Working Capital Accounts to support project operations. HUD will review any release at such time as the government re-opens.
 - c. No change orders will be processed or approved.

➤ Section 202/811 Production

- Initial closings on projects with Firm Commitments issued prior to the lapse in appropriations and related activities (e.g. review and approve sponsor requests for amendments to the firm commitment, subject to the availability of funds for such amendment).
- Final closings on projects with critical deadlines (e.g., tax credit deadlines).
- HUD will process construction draws using intermittent staff to respond to issues relating to the imminent threat and protection of property. HUD will rely on the sponsors' supervisory architects' certifications and will perform or contract for construction inspections on a post-review basis at such time the government re-opens.

➤ Rental Assistance Demonstration Program

- Closings on rental assistance conversions scheduled as part of the Rental Assistance Demonstration (RAD) where a Rental Assistance Demonstration Conversion Commitment (applicable to Component 1) or a Rental Assistance Demonstration Approval (applicable to Component 2) was issued, and the closing was scheduled prior to the lapse in appropriations or RAD Conversions where the failure to close or prepare to close would threaten the property and demands an immediate response (e.g. loss of tax credits).

➤ Mark-to-Market and Post-Market-to-Market

- Issuance of HUD approvals, waivers or authority to proceed on Mark-to-Market transactions and post-transaction requests where the failure to take such action would threaten the property and demands an immediate response (e.g., loss of tax credits).
- **Asset Management/FHA and Assisted Housing**
- Make payments under previously obligated Section 8 contracts, Section 236 agreements, Section 202 and 811 Project Rental Assistance Contracts (PRAC), Section 811 Project Rental Assistance (PRA), Performance Based Contract Administration (PBCA) contracts, and similar rental-assistance related contracts on an as-needed basis to ensure ongoing viability of assets and preservation of affordable housing.
- Work closely with OCFO to identify, when previously obligated Section 8, PRAC, PRA, PBCA, and similar rental-assistance related contract allocations may be insufficient to support ongoing program operations, if any available carryover funding remains that can be used to fund these assistance programs. If such funds are available, the necessary obligational actions will be taken to make such funds available for timely disbursement, including processing Section 8 and PRAC renewals for expiring contracts and processing amendment funds for non-expiring Section 8 contract renewals. Note that only no-year or multi-year amounts appropriated in a prior year will be legally available for this purpose, and no amounts made available by now-expired Continuing Resolutions (CRs), can be utilized.
- Approval of emergency property funding needs through approval of reserve for replacement releases, residual receipts, or other mechanisms. Reserve for replacement and residual receipts funds are held by the property or a property lender, not obligated by HUD, and no previous obligation is needed.
- Proceed with activities necessary to support orderly termination of Insurance, including processing extension requests and processing insurance termination requests, performing loss mitigation and asset management activities, including as mortgagee-in-possession, processing insurance claims, and liquidating and disposing of assets resulting from insurance claims.
- Respond to issues directly relating to the imminent threat to the safety of the residents, or to the protection of property in HUD-insured or assisted multifamily projects.
- For information about inspections, see section 3a (Public and Indian Housing) above.

Healthcare Programs

- Conduct closings and endorsements of projects with Firm Commitments issued prior to the lapse in appropriations and related activities (e.g., review and approve lender requests for amendments to the Firm Commitment, including mortgage increases (subject to handbook processing guidelines) so long as Commitment Authority is available.
- Approve emergency repairs.
- Respond to issues directly relating to the imminent threat to the safety of the residents, or to the protection of property in HUD-insured healthcare projects.

- Proceed with activities necessary to support orderly termination of Insurance, including processing extension requests and processing insurance termination requests, performing loss mitigation and asset management activities, including high risk interventions and as mortgagee-in-possession actions, processing insurance claims, and liquidating and disposing of assets resulting from insurance claims.
- During a lapse in appropriations, the following will apply:
 - a. Lenders may, at their and the Borrower's risk, release funds from the Operating Deficit, Working Capital and Debt Service Reserve Accounts, to support project operations. HUD will review any release at such time as the government re-opens.
 - b. Lenders servicing loans having a construction or repair component may, at their and Owners' and General Contractors' risk, process interim construction or repair draws. Limited construction inspection functions may continue where such functions are to be performed under a funded contract provided the contractor has sufficient capacity to proceed independently, or when necessary, under the oversight of an excepted employee. HUD will perform or contract for all other construction inspections on a post-review basis at such time the government re-opens.
 - c. No change orders will be processed or approved.

Single Family Housing

- The Office of Single Family Housing will endorse loans, with the exception of Home Equity Conversion Mortgages (HECM) and Title I loans, under current multi-year loan guarantee commitment authority in order to support the health and stability of the U.S. mortgage market.
- Endorsements that require assessment by an FHA underwriter will not be able to be finalized during a lapse in appropriations; however:
 - FHA will support manual endorsement actions that lenders cannot process themselves including case number cancellations, reinstatements, transfers, and releasing case numbers from the hold tracking queue including those for condominiums through the Single Unit Approval process;
 - FHA staff will not be available to review and endorse Test Cases for mortgagees with Conditional Authority, and loans for HUD Employees.
 - While FHA staff will not be available to process condominium project approvals under the HUD Review and Approval Process (HRAP), lenders will be permitted to continue processing condominium approvals under the Direct Endorsement Lender Review and Approval Process (DELRAP).
- FHA's Resource Center will be available to answer questions, but responses to questions requiring escalation to HUD staff may be delayed.
- The Office of Single Family Housing will maintain the minimum operations necessary to support FHA's existing portfolio. This includes:
 - activities in support of the processing and the payment of claims;
 - servicing of Secretary-held notes and mortgages (including making payments required under HECMs assigned to the Secretary-Held portfolio);
 - ensuring the continuity of FHA's asset disposition process; and
 - supporting loan servicing and loss mitigation activities related to both forward and reverse mortgage loans.

- The Office of Single Family Housing will advise the Secretary on pending settlement agreements that are at risk due to delay and that address imminent threats to persons or property by recouping or preventing further loss of MMIF funds.
- The Office of Single Family Housing will provide litigation support on behalf of the agency where necessary to protect against threats to life, safety or property.
- The Office of Housing will continue to work on planned sales of defaulted notes, as required for the orderly termination of HUD's fiduciary insurance and servicing obligations.

Housing Counseling

- The Office of Housing Counseling (OHC) will not have staff on board and will not process requests to draw down grant funds from the Line of Credit Control System (LOCCS).
- The Housing Counseling system (HCS) will be operational on a limited basis; however, actions that require intervention by OHC personnel will be either delayed or suspended.
- The housing counselor examination (<https://hudhousingcounselors.hud.gov>) will be operational on a limited basis; however, actions that require intervention by OHC personnel will be either delayed or suspended. The housing counselor certification process relies on FHA systems and will be operational on a limited basis; however, actions that require intervention by OHC or HUD personnel will be either delayed or suspended.

Finance and Budget

- The Office of Finance and Budget (FAB) will have limited staff in the office during temporary office closure to support Housing-FHA "excepted activities." FAB's role is as follows:
 - Safeguarding of governmental assets through protection of the integrity of Housing-FHA's loan portfolio and overall financial data and transactions is the number one goal of FAB during a lapse in appropriations. In addition, the Office of Budget and Field Resources will support excepted activities.
 - Assure the financial integrity, formulation, execution, and analysis of the Housing-FHA Loan Insurance, Grant and Subsidy programs; includes providing travel funding to support excepted activities.
 - Maintain and manage FHA financial and loan processing systems, including systems used for, loan underwriting, disbursements and collections (i.e., FHA insurance premium collect and claims payments) during temporary closure.
 - FAB's Office of Asset Sales (ASO) will continue to work with housing program offices on planned sales of Single Family, Multifamily and Healthcare defaulted notes, as required for the orderly termination of HUD's fiduciary insurance and servicing obligations.
 - FAB's Comptroller's office will also maintain a limited number of staff to support minimum operations and administration of FHA's existing loan

portfolio, including those actions necessary to collect mortgage insurance premiums, pay lender claims, support collection and disbursement functions between FHA and U.S. Treasury, and timely issue any legally necessary tax forms regarding the disposition of debt. The limited number of staff will also conduct financial business or transactions related to the protection of government property and in support of program office excepted activities.

Risk Management

- Critical modeling and analytics necessary to ensure continuous protection of property and to support Constitutional duties to continue. Specifically, continued operations are required to support:
 - o Subsidy rate development as part of the broader budget development process necessary to support the Constitutional duties relating to the budget and appropriations process.

Office of Manufactured Housing Programs

- Perform oversight of Manufactured Home Construction and Safety standards and Model Manufactured Home Installation standards, as necessary, to maintain core operations and protect life and/or property.

e) Ginnie Mae

Ginnie Mae's role in the secondary mortgage market is vital to the stability and liquidity of the primary mortgage market. An interruption in the operations would create immediate and significant market disruption that would lead to financial losses for investors and increased mortgage rates for government-insured mortgage loans. Ginnie Mae has two-year MBS guarantee commitment authority that remains available under a lapse. Ginnie Mae may also incur obligations and continue its operations during a lapse in appropriations in some emergency situations as described further in the table below. Furthermore, all Ginnie Mae contracts are funded with "no year" money; work performed by contractors in support of operations may continue. Contractor-dependent exempt or excepted functions will be managed by Ginnie Mae "excepted" employees. Any non-exempt or non-excepted functions for which funds have been obligated will continue to be independently operated by the contractors with no Ginnie Mae employee involvement, however, only in cases where Ginnie Mae has made the determination that the contractor has sufficient capacity to proceed independently.

Note that Ginnie Mae also employs several employees whose regular salaries and expenses (S&E) costs are billed to Ginnie Mae's no-year S&E account. These employees (sometimes called "term" employees, although not all term employees will fit into this category) will follow the specific guidance and direction from HUD's OCHCO regarding their work status during a lapse in appropriations, which may be different from Ginnie Mae's other employees.

Ginnie Mae will limit its operations to the following functions that are essential to avoid disruption to Ginnie Mae's ability to fulfill its obligations:

	Lapse of Appropriations
Ability to Issue Commitment Authority	Yes Emergency Exception (property protection) – Ginnie Mae's operation is essential for market stability and maintaining low mortgage rates for Government-insured mortgages.
Ability to Issue Mortgage-Backed Securities and Structured Multi-Class Transactions	Yes Emergency Exception (property protection) –Ginnie Mae's operation is essential for market stability and maintaining low mortgage rates for Government-insured mortgages.
Ability to Receive/Process Monthly MBS Loan & Payment Accounting Data	Yes Emergency Exception (property protection) –Ginnie Mae's operation is essential for market stability and maintaining low mortgage rates for Government-insured mortgages.
Ability to Pay Securities Holders	Yes Emergency Exception – Failure to pay investors would cause a default on the guarantee of the Government and mortgage market stability would be put at risk.
Ability to Engage and Pay Contractors	Yes, if those contractors are necessary to carry out Ginnie Mae's functions. May not fall directly under emergency exception but if an agency may continue to operate during an appropriation lapse, it may incur obligations beyond employee salaries that are necessary for carrying out the functions. Ginnie Mae manages contractual obligations under mandatory, no-year funding.
Ability to engage in Issuer Defaults activities (e.g., Pre and Post related)	Yes Emergency Exception – Ginnie Mae's operation is essential for market stability and maintaining low mortgages rates for Government-insured mortgages. The ability to default an issuer is essential (i.e., Pre and Post related activities) for market stability and protecting Government's property.
Ability to Travel for Emergency Purposes (e.g., Issuer Defaults)	Yes Emergency Exception – Ability to default is essential for market stability and protecting Government's property.
Ability to Review and Process Mortgage Servicing Rights (MSR) Transfers and Financial Agreement Requests	Yes Emergency Exception (property protection) – Ginnie Mae's operation is essential for market stability and maintaining low mortgage rates for Government-insured mortgages.

Ability to Meet Buyout and Servicing Needs of Extinguished HECM Loans	Yes. Performing on Ginnie Mae's guarantee requires the capacity to buy out loans, remit payments to investors, fund borrower draws and related financing activities. No. The ability to file timely claims with other Federal entities and other actions unrelated to protecting the Federal Government's guarantee.
Ability to Invest Cash Reserves in Treasury Securities	Yes Emergency Exception – Ginnie Mae's investment of Cash Reserve balances on an overnight basis is consistent with 12 U.S.C. § 1723b, authorizing the investment of funds to support activities that Ginnie Mae must continue. The funding comes from no-year mandatory fees in the Financing account, funds in the Liquidating account, and the interest earned on these amounts. The costs of these activities – including managing the Cash Reserve investments – are covered by both no-year mandatory fees and discretionary multi-year funds in the Program account.

f) Office of Policy Development and Research (PD&R)

PD&R will maintain a minimal number of staff and services necessary to support activities addressing emergency situations where the failure to perform those functions would result in an imminent threat to the safety of human life or the protection of property.

The following activities will be undertaken. In general:

- PD&R will ensure grantee/cooperative agreement awardees access to eLOCCs and DRGR. (Resetting and assigning new passwords and troubleshooting issues where approved grantees are unable to access the system.)
- PD&R will complete processing for invoices for *research* grants and cooperative agreements on invoices received before the lapse in appropriations to ensure an orderly shutdown of agency functions. Research grants/cooperative agreement grantees may continue performance of work if funds have been previously obligated and work plans have been approved, but invoices received after the lapse in appropriations that require approval will not be processed until after the lapse.
- When FEMA requests data from HUD to support an excepted rehousing mission after a disaster, HUD will extract the requested data and provide matched data to HUD staff as appropriate; if FEMA extracts data and makes it available to PD&R as an excepted activity, PD&R will provide necessary data support and analysis.
- The Ask A Question (AAQ) Help Desk will remain open and will be available to answer questions received. Responses that require HUD staff review or approval will be delayed until the lapse has ended; however, HUD staff will be available to review and approve or otherwise respond to questions related to an imminent risk to life or property.
- Existing Technical Assistance and Capacity Building cooperative agreement awards, where funds have been previously obligated and work plans have been approved, may

continue performance. Vouchers submitted to HUD via DRGR that are under the threshold set for the Eviction Protection Grant Program will be processed and paid automatically in the event of a lapse in appropriations, if funds are available. Vouchers over the threshold amount require HUD staff review and will not be reviewed or paid until the government has reopened. Actions that require HUD staff review and approval, such as the review and approval of workplan amendments or the modification of workplans, will not take place during a lapse in appropriations. However, if such proposed actions are related to an imminent threat to life or property, HUD staff will be recalled to review and approve workplan amendments or modifications.

- For the Eviction Protection Grant Program, grantees may continue to work if they do not require any instruction from HUD staff. Vouchers submitted to HUD via DRGR that are under the threshold set for the Eviction Protection Grant Program will be processed and paid in the event of a lapse in appropriations, if funds are legally available. Vouchers over the threshold amount require HUD staff review and will not be reviewed or paid until the government has reopened. HUD staff will not be available to answer questions during a lapse in appropriations unless it relates to an imminent risk to life or property

g) Office of Lead Hazard Control and Healthy Homes (OLHCHH)

OLHCHH will maintain a minimal number of staff and services necessary to support activities addressing emergency situations where the failure to perform those functions would result in an imminent threat to the safety of human life or the protection of property.

Depending on the circumstances, excepted activities include the following oversight activities related to OLHCHH grantees and contractors that are necessary to avoid imminent threats to the health and welfare of tenants and children:

- environmental assessments
- lead-based paint inspections
- risk assessments
- lead hazard control work plans
- healthy homes hazard remediation work plans
- work specifications
- clearance examinations
- payment requests.

OLHCHH will also conduct other excepted activities necessary to avoid imminent threats to the health and welfare of tenants and children, including:

- lead safety regulatory compliance reviews;
- technical assistance;
- enforcement activities;
- disaster recovery technical support activities.

h) Office of General Counsel (OGC)

If a lapse in appropriations appears to be reasonably foreseeable, taking into consideration guidance from OMB, OGC will:

- Provide program clients with lists of activities that continued during the previous lapses and provide legal guidance about whether new programs are excepted activities.
- Provide legal advice about the ramifications of a lapse in appropriations with respect to all program, contractual, operational and personnel functions.
- Review legal documents, including contracts, grant agreements, settlement agreements addressing imminent threats to persons or property, notices to grantees, proposed stop work orders, notices to employees, etc.
- Provide legal assistance, in coordination with OCHCO, to senior staff about related labor issues.
- Draft motions for a stay of proceedings pending appropriations to be filed in all administrative cases pending before the HUD Office of Hearings and Appeals.
- Coordinate with the Department of Justice and relevant program offices to ascertain the impact of a lapse on appropriations on pending litigation and discovery obligations in the federal courts.
- Identify the pipeline of scheduled closings for transactions permitted to proceed under this contingency plan and identify the staff and resources necessary to close such transactions, in coordination with the relevant program offices.

If a lapse in appropriations occurs, OGC will:

- Provide the names, telephone numbers, and e-mail addresses of all excepted OGC ethics officials for taking telephone calls and responding to emails about ethics issues regarding employment and volunteer work.
- Provide legal advice to senior Departmental officials necessary to meet the obligations necessary to the discharge of the President's constitutional duties and powers.
- Provide legal advice to facilitate the orderly shutdown and resumption of activities with respect to HUD staff.
- Provide legal advice and review legal documents to assist in the orderly termination of agency functions. This includes review of contractual agreements and points of obligation.
- Provide legal advice to address emergency situations where the failure to perform those functions would result in an imminent threat to the safety of human life or the protection of property.
- File motions for a stay of proceedings pending appropriations to be filed in all administrative cases pending before the HUD Office of Hearings and Appeals.
- Recall HUD attorneys, on an intermittent basis, to review and close transactions as provided for in this contingency plan.
- Monitor non-federal and federal litigation to ensure the protection of property. Headquarters and field attorneys will be excepted or recalled on an intermittent basis to handle affirmative and defensive litigation and discovery issues related to the imminent threat to the safety of human life or the protection of property.
- Provide legal advice to Ginnie Mae on excepted activities.
- Provide legal advice and support to HUD programs that perform functions that are funded under disaster appropriations, multi-year appropriations, permanent and indefinite appropriations, and other non-annual appropriations.

- Provide legal advice to HUD programs that perform functions that are related to express authorizations to contract or borrow without an appropriation.
- Provide legal advice related to exempted HUD contracts identified by OCPO.
- Consistent with guidance from OMB, provide legal advice and assistance related to Congressional oversight activities.
- Provide legal advice to HUD officials on whether a management action taken or contemplated during a lapse in appropriations triggers union representational rights under a collective bargaining agreement or 5 U.S.C. chapter 71 for which official time should be granted to employees to perform representational duties related to the action.
- Provide legal advice to various program offices in connection with their conduct of excepted activities.
- Provide legal advice to various program offices, in coordination with OCFO and OMB, regarding whether a contemplated activity constitutes an excepted activity.
- Recall HUD attorneys, on an intermittent basis, to draft and submit documents to the Federal Register, when such documents are required to avoid an imminent threat to the safety of human life or for the protection of property or where completion of such actions as a ministerial or limited administrative matter are necessarily implied in order to facilitate other funded activities at HUD or other portions of the Federal government.
- Recall HUD attorneys, on an intermittent basis, to provide technical drafting services to Congress on legislative items addressing imminent threats to the safety of human life or the protection of property or where completion of such actions as a ministerial or limited administrative matter are necessarily implied in order to facilitate other funded activities at HUD or other portions of the Federal government.

i) Office of Field Policy and Management (FPM)

FPM will maintain minimal staff to ensure the safety of human life and the protection of property in the 10 HUD Regional Offices and the 54 Field Offices. Additionally, FPM will facilitate the intermittent opening of field offices to accommodate the processing of Single Family Housing's endorsement and Real Estate Owned (REO) critical activities, the closing of loans for multifamily housing, insured healthcare facilities, and others where the firm commitment was issued prior to the lapse of appropriations and any other excepted activities identified by the Secretary or Assistant Secretaries that must take place in field locations.

In an effort to support multi-family development loan closings, FPM will request that Davis Bacon Labor Standards staff be deployed on an intermittent basis in order to provide wage determinations to stakeholders during loan approval closings.

FPM will engage in activities associated with the Office of Disaster Management and National Security (ODMNS)'s request for coordination of disasters associated with active FEMA Mission Assignments (MA), as well as on-going response and recovery related to possible disasters.

Additionally, activities associated with the oversight of security and preservation of space and federal property will be coordinated jointly by FPM and Office of Administration. Special attention will be provided to offices considered especially vulnerable – those located in non-

federal space.

j) Office of the Chief Financial Officer (OCFO)

OCFO will:

- Provide overall guidance to functioning areas and program offices, as well as reporting to senior management and stakeholders.
- Maintain minimum staff to maintain liaison with the Office of Management and Budget and the Committees on Appropriations in support of orderly shutdown and excepted activities, which may include technical drafting services.
- Provide overall execution guidance to program offices.
- Provide oversight and manage shared service providers as needed for excepted activities.
- Process potential allotment actions to prevent violations of the Antideficiency Act.
- Make appropriate payments where funds are available that are processed through OCFO for valid obligations.
- Provide system support and contractor oversight for systems needed to manage excepted activities.
- Provide travel assistance to employees who have to travel to support an excepted activity.
- Maintain Working Capital Fund excepted activities, including allotting funds, committing funds in PRISM, and reviewing invoices for shared services. WCF is no-year money.

In addition to the activities listed above, the OCFO's Office of Appropriations Law Staff will also perform excepted activities necessary to discharge the President's constitutional duties and powers, to avoid violations of the Antideficiency Act, including:

- Advising HUD leadership and program management on appropriations law issues, including compliance with the Antideficiency Act; and
- Making determinations, in consultation with OGC and OMB, on whether a contemplated activity constitutes an excepted activity pursuant to the exceptions to the Antideficiency Act.

k) Office of the Chief Information Officer (OCIO)

OCIO will maintain a minimal number of staff and services necessary to support excepted activities, including cybersecurity, certain shared service-related activities, and IT support to ensure the continued availability of excepted program services. The Information Technology Fund is funded by both a direct appropriation and funds transferred from other accounts. The direct appropriations for the IT Fund include funds that will be available for two fiscal years. Activities funded by no-year or multi-year funds are authorized to continue in the event of a lapse in appropriations, as the lack of an annual appropriation does not affect availability of those multi-year and no-year funds appropriated under prior appropriations

acts.

I) Executive Offices (EO), including the Executive Secretariat (ExecSec), Office of Small and Disadvantaged Business Utilization (OSDBU), Office of Public Affairs (OPA) and the Office of Congressional and Intergovernmental Relations (CIR)

EO will maintain a limited staff to provide oversight and direction for all excepted activities. This staff will provide essential support to the Secretary for an orderly termination of agency functions. The Secretary, and Deputy Secretary are exempt because they are Presidential appointees, confirmed by the Senate. (Individuals acting in exempted positions who have not been appointed by the President and confirmed by the Senate may only perform excepted duties, which include providing oversight and direction for all excepted activities within their scope of responsibility during the lapse in appropriations.)

A limited number of Executive Offices employees will assist HUD leadership with the oversight and direction of the Department's excepted activities. This includes limited staff within the Executive Secretariat (Exec Sec), Office of Small and Disadvantaged Business Utilization (OSDBU), Office of Public Affairs (OPA) and the Office of Congressional and Intergovernmental Relations (CIR) who provide internal and external communications that affect Agency's ability to protect the safety of human life, the protection of property, and the orderly termination of agency functions. During this period, the OPA will work with ExecSec and HUD administrative support offices staff as necessary to coordinate such communications. Moreover, OPA will:

- Provide helpful stand-alone information on [hud.gov](https://www.hud.gov) regarding "hot-topics" with direct web-links to items such as state unemployment compensation information, EAP financial and mental health counseling, IRS tax information, and Consumer Finance Protection Bureau, etc.
- Provide program information about operational status of any HUD programs continuing to operate during the lapse in appropriations on [hud.gov](https://www.hud.gov) and alternatives for the American public about services such as mortgage processing, civil rights protections with FHAP and FHIP agencies, lead hazard controls performed at the state or local levels of government, etc.
- When OMB has given the direction to begin preparing to restart operations, Public Affairs will also initiate and publicize the postshutdown@hud.gov mailbox to assist employees immediately following the lapse in appropriations.

Within CIR, a limited number of staff will be excepted to serve as points of contact for congressional and intergovernmental stakeholders regarding excepted activities. Section 8 of this document provides an outline of information that will be shared with external stakeholders. During this period, CIR will work with HUD leadership, ExecSec and administrative support offices as necessary to coordinate such communications.

Within ExecSec, a limited number of staff (perhaps 2) will support in the receipt and transmittal of communications from other agencies such as the Office of Personnel Management and the Office of Management and Budget. These entities tend to send communications to Heads of Agencies via the ExecSec listserv. ExecSec will also provide administrative/communications support to OPA and CIR.

OSDBU will support acquisition-related sections of the Small Business Act (15 U.S.C. 631 and 15 U.S.C. 644(k)) on excepted contract requirements. If necessary, intermittent employees may be identified to assist as required. OSDBU will provide support with activities such as:

- Providing assistance on any small business-related issues including payment-related problems, e.g. late payments or disputes on payment terms or provisions,
- Reviewing all required subcontracting plans on excepted contract requirements,
- Providing assistance to small business concerns awarded a excepted contract or subcontract in finding resources on compliance with contract regulations after the award,
- Assist with any small business-related Congressional inquiries for information or assistance, and,
- Consult with OCPO on any new excepted contract obligations that require input for compliance or liaison with other agencies, such as the Small Business Administration.

m) Office of the Assistant Secretary for Administration (OASA)

The OASA will:

- Provide overall guidance to functioning areas and program offices on human capital, procurement, and facilities excepted activities, including shutdown operations generally, and will report to senior leadership and stakeholders as appropriate.
- Maintain the minimum staff necessary to support orderly shutdown activities, other excepted activities, and orderly start-up activities, including initiating and maintaining the daily records of excepted and intermittently excepted employees.

Office of the Chief Human Capital Officer (OCHCO)

OCHCO will undertake the following activities which are required for orderly termination of agency functions:

- Provide advice and guidance to facilitate the orderly shutdown of activities with respect to HUD staff, including disseminating notices of furlough, instructions about out-of-office messages for all HUD devices (office phone-line, email, and cell phone), handling of time and attendance systems, etc., including in a telework environment.
- Coordinate and disseminate information and policy during a lapse in appropriations, including information on the orderly termination and the resumption of operations.

- Prepare a lapse in appropriations communication for posting on hud.gov, in collaboration with the Office of Public Affairs, including the SF-8 and information to employees requesting unemployment compensation.
- Update the Department's toll-free line, 1-866-INFO HUD (1-866-463-6483)
- Ensure employee assistance program information is provided to the HUD workforce
- Process personnel and pay records in connection with a lapse in appropriations furlough actions, as appropriate.
- Provide guidance specific to employees who may not be subject to furlough due to their S&E expenses being paid from multi-year or no-year S&E accounts.
- Coordinate and provide time-keeping responsibilities and employee pay, benefits, and retirement administration.
- Provide directions and manage the Furlough Information System that is used to track intermittent and excepted employees.
- Provide daily lists of excepted and intermittent employees to HUD leadership, OCAO, and OCIO.
Provide directions for tracking time and attendance in the furlough information system.
- Coordinate with HUD's shared service provider on excepted human capital transactions to ensure timely and effective processing of personnel actions, in accordance with approved excepted activities.
- Communicate with the Office of Personnel Management (OPM) pertaining to updates and key information impacting employees during the lapse in appropriations.
- Provide advice to HUD officials on whether a management action taken or contemplated during a lapse in appropriations triggers union representational rights under a collective bargaining agreement or 5 U.S.C. chapter 71, for which official time should be granted to employees to perform representational duties related to the action.
- Take necessary personnel actions to separate employees in accordance with applicable law and regulations of the OPM.
- Provide guidance to program offices on personnel activity relating to Details and Intergovernmental Act Assignments (IPAs).

Office of the Chief Procurement Officer (OCPO)

OCPO will maintain minimal staff and services necessary to support excepted activities. Intermittent employees may be identified to assist as circumstances dictate. Only contracting officers may instruct vendors regarding changes to the contract terms and conditions during a lapse in appropriations. Also, the primary, alternate, or subordinate CORS names on a specific contract may provide direction to the contractor regarding performance of the contract.

Excepted Contracts: The following contracts and related actions may continue during a lapse of appropriations:

- a) Funded by other than annual appropriated funds: Contract actions funded by multi-year, no-year, or revolving funds, or advanced appropriation whose accounts have sufficient carryover balance and does not require government oversight or interaction for non-excepted activities.

- b) Expressly Authorized to Continue Even Without Funding: Functions authorized by law to proceed during an appropriations lapse including “those functions as to which express statutory authority to incur obligations in advance of appropriations has been granted.”
- c) Necessary for Safety of Human Life or Protection of Property: Any activity or function that is continued based on a determination that it qualifies for the protection of life or property exception must be limited only to the minimum functions necessary for the protection of life and property. As for any administrative, research or other support function related to an excepted activity, that function should also continue, but only to the extent that they are excepted to maintain the effectiveness of those activities or functions that are engaged in the protection of life or property.
- d) Already funded: The status of these actions will be re-evaluated when the funding is exhausted.
- e) Other excepted services: Any other services identified elsewhere in the Contingency Plan.

Actions Necessary Prior to a lapse in appropriations:

- a) Provide overall procurement guidance to functioning areas and program offices, as well as reporting to senior management and stakeholders on procurement and contracting expectations, rules of engagement, and authorities.
- b) OCPO, in conjunction with the HUD Government Purchase Card Agency Program Coordinator, will ensure that the limits on all purchase cards are dropped to \$0 or other nominal amount to prevent misuse by cardholders during a lapse in appropriations.
- c) OCPO, in conjunction with Program Offices, will identify excepted activities and associated contracts. The Office of the General Counsel and the appropriations attorneys in the Office of Appropriations Law Staff, and CFO Budget will assist in making this determination. From this listing, managers must further identify contracts that, in whole or in part, support activities that are excepted from a lapse in appropriations. This will serve two major purposes for HUD contracting activities:
 - i. To identify contracts for which Partial/Full Stop Work Orders or Partial/Full Terminations for the Convenience of the Government must be issued, and to allow Contracting Officers sufficient lead time to prepare modifications and any necessary justifications and other supporting documentation for contracts; and
 - ii. To allow OCPO to determine an effective distribution of warranted Contracting Officers to support an orderly shutdown and the management of contracts supporting excepted activities. Determining an effective level of management for contracts supporting excepted activities would include consideration of Contracting Officer Representative and program management support.

- d) OCPO, OCIO, and Program Offices will identify critical systems that must be maintained but may not be used during a lapse in appropriations but would be detrimental to the agency mission if not maintained.
- e) OCPO will ensure that its shared service provider, the Bureau of Fiscal Services, will keep PRISM and IPP available as needed and staff the appropriate Help Desks.
- f) OCPO will coordinate with its assisted acquisition shared service providers to ensure similar contractual actions will be completed based upon OCPO's and programmatic direction.
- g) OCPO offers the following "Contracts Decision Tree" for Departmental decision making with respect to contracts in the event of a lapse in appropriations:

Is the contract fully funded using available appropriations or are other funds available to fund it (no year or multi-year)?

- 1. If **YES**, will contract require government supervision?
 - If **NO**, contract can continue if contract is a sensible use of taxpayer funds.
 - If **YES** and an excepted individual will be available to oversee it in between excepted activities (and overseeing the contract does not interrupt, interfere with, or delay the individual's performance of an excepted function), the contract may continue during the period of the lapse, provided the period is brief.
- 2. If **NO**, is the contract necessary to support one of the following excepted functions?
 - A statute or other legal requirement expressly authorizes an agency to obligate funds in advance of appropriations; or
 - The function addresses emergency circumstances, such that the suspension of the function would imminently threaten the safety of human life or the protection of property; or
 - The function is necessary to the discharge of the President's constitutional duties and powers (e.g., Commander-in-Chief or conducting foreign relations).
 - If **NO**, contract cannot continue.
 - If **YES**, will contract require government oversight?
 - If **NO**, contract can continue.
 - If **YES**, there must be excepted individuals available to oversee it, so the contract may continue during the furlough.

Office of the Chief Administrative Officer (OCAO)

OCAO will undertake the following activities to protect the safety of excepted employees and federal property in both headquarters and regional and field offices:

- Manage and maintain full operation of the headquarters (HQ) building facilities and parking.
- Maintain operation of the field facilities, including serving as liaison with GSA/private building owners on matters relating to building services, security and emergency preparation; maintaining and monitoring security systems, as needed; and providing logistical support for any other staff designated to work during a lapse in appropriations or furlough.
- Collaborate with FPM to prepare field offices for orderly shutdown, including signage, telecommunications greetings and coordination of access control measures in coordination with local building management.
- Maintain HQ building security. During a lapse in appropriations period the childcare center, credit union, and health care center will remain open. The fitness center and concessions will be closed, and shuttle services will be suspended.
- Maintain contracts to ensure all HUD buildings are operational, safe, and secure.
- Provide a small team to support mail and distribution of critical items received during a lapse in appropriations.
- Provide minimal broadcast support to provide direct assistance to the Secretary and Public Affairs to support any messages that may need to be sent internally and to external media.
- Coordinate access to HUD buildings with security personnel during a lapse in appropriations. Only those who are on the daily authorized list of excepted employees and contractors will be admitted.

The contractors responsible for maintaining OCAO excepted work (e.g., building security, building facility, etc.) will continue to work.

OCAO's Office of Disaster Management and National Security (ODMNS) coordinates national security and disaster response and recovery operations for the Department. In the event of a lapse in appropriations, ODMNS will identify employees who are necessary to address emergency situations where the failure to perform those functions would result in an imminent threat to the safety of human life or the protection of property. Excepted functions include:

- A core team to monitor national security and disaster situational awareness that is able to surge the rest of the Department's continuity of operations and disaster teams should they be required.
- Departmental Continuity of Operations Teams and Disaster Response and Recovery Teams are not excepted but will be recalled should a disaster strike or a security incident occur.

Physical protection of the Secretary as required under 42 U.S.C 3533, support the HUD Guard Force in maintaining safety in the building, and provide law enforcement support for circumstances that result in an imminent threat to safety and or property.

n) Office of the Inspector General (OIG)

This plan documents the steps the Office of Inspector General (OIG) for the U.S. Department of Housing and Urban Development (HUD) will implement upon notice by the Office of Management and Budget (OMB) of a lapse in its annual appropriation, including the expiration of a Continuing Resolution (CR), and the exhausting of any prior year appropriation remaining available. The Inspector General (IG) wants to ensure a capacity to fulfill its responsibilities under the Inspector General Act of 1978. The primary mission of the OIG is to investigate and oversee fraud, waste, and abuse in HUD programs and operations, to promote efficiency and effectiveness to respond to irregularities or violations of law or regulation in HUD programs and operations, especially as they might relate to protecting HUD funds.

The Inspector General (IG) is exempt because the IG is a Presidential appointee, confirmed by the Senate. The IG will perform official duties during a lapse in appropriations and will except the Deputy Inspector General and, as needed, a limited number of OIG employees to assist OIG leadership with the oversight and direction of the office's excepted activities. This may include individuals performing functions relating to protecting the safety of human life, the protection of property, and the orderly termination of office functions or engage furloughed employees to perform work on activities that are excepted. During a lapse in appropriations, the IG or the DIG may meet with all members of the public, congressional staff and members, State and local officials, and executive branch officials not subject to furlough.

The Deputy Inspector General is excepted in support of the IG fulfilling OIG responsibilities while there is a lapse in funding.

In the event of a lapse in appropriations due to a lapse in appropriations, the IG or Deputy IG may except additional staff, as needed, who are necessary to address emergency situations where the failure to perform those functions would result in an imminent threat to the safety of human life or the protection of property.

The IG, Deputy IG, and excepted staff may engage in the following activities to fulfill the OIG's responsibilities necessary during a lapse in funding:

- Providing necessary legal support and advice to the IG and excepted staff about excepted activities, the lapse in appropriations, ongoing litigation, and other related legal services
- Conducting an orderly shut-down of non-excepted functions and ensure the safety of human life and the protection of property in operations conducted by OIG Headquarters and Regional Offices
- Coordinating and facilitating the operation of offices to accommodate any excepted activities which must take place in headquarters or field locations
- Providing information technology support to the IG, headquarters and field operations
- Ensuring the proper shut-down of OIG operations and the furlough of OIG employees not excepted from furlough, as well as to coordinate with OIG leadership on the recall of employees for the duration of a lapse in appropriations
- Investigating and conducting related activities for matters with the Department of Justice, other Federal agencies, State and local authorities and courts not impacted by the lapse in

appropriations that require OIG involvement, including investigations where the target or targets could pose a threat to safety of human life and or property

- Performing audit, evaluation, and investigation work if necessary for ensuring the safety of human life and the protection of property
- Performing administrative investigations into misconduct and whistleblower retaliation
- Working on disaster related investigations, evaluations, and audits funded exclusively by no-year appropriations
 - Providing general guidance to all employees on the nature and duration of the lapse in appropriations

Orderly Shutdown:

OIG expects most of the activity to support an orderly shutdown to commence with OMB's determination that a lapse in appropriation will occur. Supervisory staff will work with their AIGs to begin notification for all employees on first day of a lapse in appropriations. Employees will carry out orderly shutdown activities. The focus is for all OIG employees to identify any critical pending work and take all the actions possible to avoid or to minimize any impairment due to the furlough. The AIGs will provide Managers and Supervisors with a checklist for the orderly shutdown. Supervisors shall account for all employees' time and will relay any concerns regarding pending work through channels to their respective component leadership, who will inform the IG and Deputy IG of any critical issues.

This plan recognizes that some employees may be needed on an ad hoc or "on-call" basis after the initial shutdown of operations. Each individual will be notified of their responsibility to answer a return to duty on an ad hoc or "on-call" basis. Any recall will be made in periods of hours, e.g., 4 hours, 9 hours, 18 hours.

o) Closed Offices

In the event of a lapse in appropriations, the following offices will be shut down and contractor work will be suspended:

- Center for Faith
- Office of Departmental Equal Employment Opportunity
- Office of Adjudicatory Services

4. Legal Issues

a) Presidential Appointment with Senate Confirmation (PAS) Duties

Individuals appointed by the President, with Senate confirmation, are not subject to furlough and cannot be placed in a nonduty, non-pay status. This does not extend to individuals acting in or performing delegable duties of such PAS positions. The salaries of these Presidential appointees are obligations incurred by the year, without consideration of hours of duty required. However, PAS officials are also barred from receiving pay during a lapse in

appropriations. These Presidential appointees will be paid after Congress passes and the President signs a new appropriation or continuing resolution.

The Secretary and PASs may perform official duties during a furlough as long as they do not expend appropriated funds which have lapsed or engage furloughed or excepted employees to perform work on activities that are not excepted. The Secretary and the PASs may not expend lapsed travel funding. During a lapse in appropriations, the Secretary, the Deputy Secretary, the General Counsel, the Assistant Secretaries, the Chief Financial Officer and the President of Ginnie Mae, as individuals appointed by the President with Senate confirmation, may meet with all members of the public, Congressional staff and members, state and local officials, and executive branch officials not subject to furlough.

b) HUD Employees Paid from Special Salaries and Expenses Accounts

Individuals whose salaries are regularly funded through special appropriations other than HUD's traditional S&E appropriations, which some CPD Disaster employees who are on term appointments, and some OCFO employees funded through the Working Capital Fund, will follow specific guidance and direction from their program leadership, in consultation with HUD's OCHCO and senior leadership, regarding their work status during a lapse in appropriations, which may be different from HUD's other employees. So long as sufficient funding sources remain available from prior-year funds, this limited group of employees may not be subject to furlough and may perform all of their official duties, so long as they do not expend appropriated funds which have lapsed, including travel funds which have lapsed. No one should presume that their status falls within this limited special category without specific instruction from HUD leadership.

c) HUD Employees on Duty Assignments

If HUD employees, who are funded through appropriations that have lapsed, are on temporary duty assignments (travel, rotations, details, training) away from their normal duty stations at the time of an appropriations lapse, they are encouraged to make arrangements to return home whenever reasonable and practicable. In each instance, the relevant GDAS or functional equivalent should make a determination of reasonableness and practicality based on the length of the assignment and the time required for return travel, compared to the anticipated length of the lapse, so as to minimize the burdens of doing so.

5. Critical Information Technology and Systems Infrastructure

General Guidance

The OCIO activities that will be conducted under the exception category during a lapse in appropriations will include the technology, administrative and project management activities required to support all HUD identified excepted activities that are enabled through the use of information technology. Without the OCIO's provision of these activities during the lapse in

appropriations , HUD programs will be unable to conduct excepted activities which could potentially have a negative impact on HUD's services.

OCIO will maintain access to and use of the standard HUD-provided desktop/network applications and Help Desk Support operations for excepted employees. The following tables list the HUD Program identified IT systems and infrastructure required in order to support excepted functions and activities.

a) Table 1: Excepted System List

P162 - HUD Integrated Human Resources and Training System	HIHRTS
P262 – GovTA	GovTA
Career Connector	USA Staffing
P162D - HIHRTS DataStore	HIHRTS DS
A21 - Loan Accounting System	LAS
A67 - Line of Credit Control System	LOCCS
A75 - HUD Central Accounting and Program System	HUDCAPS
A75R - Financial Data Mart	FDM
P293 - New Core Interface Solution (NCIS)	NCIS
P236 - Secure Payment System (Client Installed on User Workstations)	SPS
P299 – HUD Pay.gov Common Service	HPCS
ARC – Oracle Federal Financials	OFF
ARC – OneStream Financial Reporting System	OneStream
ARC – Oracle Business Intelligence	OBİ
ARC – G-invoicing	G-Invoicing
ARC – OneARC	OneARC
ARC – Concur Travel	Concur
A43 - SF Insurance System	SFIS
A43C - SF Insurance Claims Subsystem	CLAIMS
A80D - Distributive Shares and Refund Subsystem	DSRS
A80B - SF Premiums Collection Subsystem-Periodic	SFPCS-P
A80R - SF Premiums Collection Subsystem-Upfront	SFPCS-U
A80W -Single Family Neighborhood Watch	SFNW
F72 - Title I Insurance and Claims System	TIIS
U26A - Electronic Data Interchange	EDI
P013 - FHA Subsidiary Ledger	FHASL
P256 - SF Help Desk (FHA-CRM under FHA Trans)	

F87 - Tenant Rental Assistance Certification Sys.	TRACS
P - 271 Home Equity Reverse Mortgage Information Tech.	HERMIT
A80S - Single Family Acquired Asset Mgmt. System	SAMS
F17 - Computerized Homes Underwriting Mgmt System	CHUMS
F51 - Institution Master File	IMF
F17C - FHA Connection	FHAC
F24 - Integrated Real Estate Management System	iREMS
Electronic Appraisal Delivery System	EAD
P292 - Loan Application Management System/Electronic Appraisal Delivery System	LAMS
F24A - Portal and Loan Underwriting System	PLUS
P361 – Greenlight Underwriting and Case Management Tool	GRLT
Multifamily End User Support System	MFEUSS
P085 - Comprehensive Servicing and Monitoring System	CSMS
Resource Desk (managed by FPG)	
P260 - Asset Management Disposition and Management	ADAMS
P-233A - Transaccess: Case Binder Management Module	SFI TA:CBMM
A80H - SF Mortgage Asset Recovery Technology	SMART
F57 - Credit Alert Verification Reporting System	CAIVRS
P323A - FHA Catalyst	FCAT
P278 - Lender Electronic Assessment Portal	LEAP
P303 - Loan Review System	LRS
P104 - Web Access Security Subsystem	WASS
P207 - Mainframe (IBM)	MIBM
P208 - Internet Server	InterS
P209 - LAN File Server	LFS
P210 - Intranet Server	IntraS
P220 – HGS Multifamily On-Line Property Integrated Information Suite Data Mart	HM-OPIIS
P223 - WAN File Server	WFS
X01 - HUD Cloud Services	HUDCS
D110 - Office 365	O365
P347 - Sumo Logic	SUMO
A73 – Inventory of Automated Systems	IAS
D11 - HUD SharePoint Server	SharePoint
P199 - LAN Servers Patch Management	LSPM
P200 - LAN Servers Anti-Virus Management	LSA-VM
P318 – Enterprise SAS (Statistical Analysis System)	ENTSAS
P326 - Amazon Web Services	WAN
P255 MicroStrategy	MSTR
P274 - HUD Web Center	HWC

P285 - Business Systems Management	BSM
P295 - Customer Relationship Management	CRM
P305 - HUD CDM Solution Suite	CDM
P240 - Integrated Pool Management System	IPMS
P314 - PowerBI Report Server	PowerBI Gateway
P331 - eCase	eCase
P302 - Enterprise Data Management	EDM
P281 - Digital Identity and Access Management	DIAMS
P323 - Salesforce Enterprise Application	SEA
P272 - Serena Dimensions CM	SDCM
Purchase Request Information System Management	PRISM
P181 - Enterprise Income Verification	EIV
P113 - Inventory Management System	IMS/PIC
P224 - Voucher Management System	VMS
NEED – Enterprise Voucher Management System	eVMS
P092 - Financial Assessment SubSystem -Multifamily Housing	FASS-FHA
P093 - Financial Assessment SubSystem -Public Housing	FASS-PH
P109 - Physical Assessment SubSystem	PASS
P100 - Integrated Assessment SubSystem	NASS
P097- Management Assessment SubSystem	MASS
F98A - Technical Assistance Center	TAC
P091 - Customer Assessment SubSystem	CASS
P279 - Energy and Performance Information System	EPIC
NEED – Office of Native American Program Native Advantage	NTV
NEED – CHUMS Lite	CHUMS Lite
NEED – Grants Evaluation and Management System	GEMS
NEED – NSPIRE Application Suite	NSPIRE
NEED – Salesforce Platform	SalesForce
P323 – FHA Catalyst	FCAT
C04 - Integrated Disbursement and Information System	IDIS
C08QA - Recovery Grant Reporting	DRGR
C38 - Electronic Special Needs Assistance Programs System	e-snaps
D77D - CPD Maps	CPD Maps
HUD Enforcement Management System	HEMS
Cision, Lexis Nexis	OPA
P068 - HUD Website	HUD.gov

CIR Grants Notification Tool	CIRZip
P017 - Grants Interface Management System	GIMS
HUD Emergency Operations Notification Center	MIR3
Office of Lead Hazard Control and Healthy Homes	
Healthy Homes Grants Management System	HHGMS

a) Excepted System List (Critical Supporting Systems)

Based on a dependency analysis, the systems listed in Table 1 require the following supporting systems to operate.

Critical Supporting System	Acronym	Supported Critical Mission Systems
A15 - Geocoding Service Center	GSC	LOCCS, FDM, SFIS, TRACS, SAMS, CHUMS, iREMS, IMS/PIC
D64A - Single Family Housing Enterprise Data Warehouse	SFHEDW	FHA-SL
F71 - Debt Collection and Asset Management System - Title I	DCAM-T1	FHA-SL, CAIVRS
F71A - Debt Collection and Asset Management System - Generic Debt	DCAM-GD	FHA-SL, CAIVRS
P220 - HSG Multifamily On-Line Property Integrated Information Suite Data Mart	HM-OPIIS	iREMS
F24P - Active Partners Performance System	APPS	iREMS, PASS
P057 - Multifamily Delinquency and Default Reporting System	MDDR	iREMS
C07A - CPD Grants Management Process	GMP	MSTR
P355 – MyGinnieMae	MGM	IPMS
P315 - Personnel Security Integrated System for Tracking	PerSIST	DIAMS
P319 - Enterprise Voucher Management System	EVMS	VMS
P107 - Quality Assessment Sub-System	QASS	FASS-FHA

b) Actions Necessary Prior to a Lapse in Appropriations

These actions will ensure an orderly shutdown of the government:

- a) The Deputy CIO in collaboration with the Program officials will ensure that all excepted activities enabled through the use of technology in Table 1 are updated prior to the s lapse in appropriations. From this listing, managers must further identify and update the list of excepted employees listed in Table 2. Additionally, managers must identify OCIO managed contracts that need to be utilized during the lapse in appropriations in support of the excepted activities.
- b) The Deputy CIO will be required to identify all non-excepted activity supporting contracts and work with the Office of the Chief Procurement Officer to issue Stop Work Orders for contracts that are not necessary.
- c) The Deputy CIO for Infrastructure and Operations will identify all infrastructure components that will be utilized to support excepted functions during the lapse in appropriations.
- d) Shutdown Binders will be provided to all managers who will be working throughout the lapse in appropriations and the authoritative location for lapse in appropriations documentation will be identified and communicated.
- e) A teleconference bridge will be coordinated and a schedule for regular lapse in appropriations briefings will be defined and communicated.
- f) Finalize the OCIO lapse in appropriations Communication Plan.

c) Lapse in Appropriations Activities

- a) Following the official notification from the OMB or other official source within HUD of a lapse in funding and the need to shut down operations, the Deputy CIO will finalize and activate the plan for the orderly shutdown of non-excepted IT functions within the OCIO.

d) Resumption Activities

- a) Following official notification that a lapse in appropriations is in the process of concluding and funding will soon be available for obligation, the Deputy CIO for Infrastructure and Operations will activate all infrastructure components that were shutdown prior to the lapse in appropriations due to their support of non-excepted activities. All IT solutions that were shutdown will be tested to ensure functionality prior to the arrival of the HUD workforce.

6. Weaver Building Access and Security Plan

During the lapse in appropriations, The Children's House childcare center, the HUD Credit Union, and the HUD Health Care Center will remain open. Both the Fitness Center and the Urban Café will be closed. Shuttle service will be suspended.

During normal working hours under lapse in appropriations conditions, access to the building will be limited based on the number of individuals expected to be in the building. Security guard staffing will be maintained to keep the building open and manage the facility for excepted staff. The need for contractor entry will be determined by OCPO using the guidance on pages 29-31 (Action Necessary Prior to Lapse in Appropriations); only authorized contractors will be permitted into the building. Security guard staffing will be reduced.

7. External stakeholder and federal/nonfederal elected communications plan

The Office of Public Affairs/Public Engagement has collected the most frequently asked questions (FAQs) for each program office, which are included as Appendix B to this Plan and available on the HUD website. A list of stakeholders has also been compiled, by program, to enable distribution of these Programs will also compile email lists of stakeholders in advance of a lapse to support necessary communication.

Upon any lapse in appropriations, the FAQs for Stakeholders will be:

- 1) Posted on the HUD website.
- 2) Sent by CIR to all Hill contacts, with a message referring Committee and Member staff to contact CIR “excepted” staff with any urgent matters related to excepted agency functions.
- 3) Sent by OPA/PE to the Department’s list of stakeholders, with a request for stakeholders to forward the FAQs to their networks.
- 4) Sent by CIR to groups of nonfederal elected officials, asking them to send the FAQs to their memberships.

In addition, as part of their orderly shutdown duties on the first day of the lapse, staff within CIR will ensure key Committee staff are briefed on the coverage plan during the lapse in appropriations, including an identification of their assigned CIR “excepted” employee Point of Contact.



United States Department of Housing and Urban Development
Frequently Asked Questions (FAQs) in the event of a Lapse in Appropriations

Like all federal agencies HUD is required to develop a plan in case there is a lapse in appropriations, often referred to as a lapse in appropriations. The plan is a publicly available document and can be found at

<http://portal.hud.gov/hudportal/documents/huddoc?id=hudcontingencyplanfinal.pdf>.

a) General Questions

Q: *In the event of a lapse in appropriations, will staff in my local HUD field office or at HUD Headquarters (Washington D.C.) be available to answer my questions or address concerns that I might have?*

A: HUD will have a limited number of employees to answer emergency questions by email or telephone during a lapse in appropriations. All HUD regional and field offices and HUD Headquarters will be closed, with some limited exceptions for a very narrow range of activities that are permitted during a lapse in appropriations. In most cases, if you call or email the field office or Headquarters staff, you will hear a voicemail or receive a return email indicating that the Government is closed. Please check the HUD website for emergency contact information if you are not able to reach your normal contacts.

Q: *Whom do I call concerning questions from local constituents who have emergency housing needs?*

A: Please contact your local State or City housing office for referrals to local providers.

Q: *Will previously scheduled meetings, monitoring and technical assistance visits, or trainings take place during a lapse in appropriations?*

A: No. Virtually all meetings, visits, and appearances will be cancelled. HUD employees will not be traveling during the lapse in appropriations unless for emergency purposes or excepted activities.

Q: *How will I know when the government's funding has been restored?*

A: The Office of Management and Budget (OMB) will make formal announcements when the government's funding has been restored. You will also be able to follow on the local and national news whether Congress has passed a continuing resolution or appropriations Act and the President has signed it into law.

Q: *I have an on-going contract with HUD that has been funded. May I continue to work on the contract?*

A: HUD's Office of the Chief Procurement Officer will provide direct, written guidance to each contractor's contract manager as to the status of their contract. You should contact your contract manager for instructions.

Q: *If I have a contract to provide on-site services, do I come to work?*

A: HUD's Office of the Chief Procurement Officer will provide direct, written guidance to each contractor's contract manager as to the status of their contract. You should contact your contract manager for instructions.

Q: *How will the implementation of HUD's lapse in appropriations plan impact HUD's staff?*

A: If there is a lapse in appropriations, there will be two categories of employees: excepted and non-excepted. The vast majority of HUD employees are non-excepted, meaning that they are prohibited from working during a lapse in appropriations. A very small number of employees are considered excepted. In determining whether an employee is excepted, the agency follows strict OMB guidance. All excepted employees can carry out only those activities allowed under an exception to the Antideficiency Act, which are identified in HUD's Contingency Plan.

Q: *What activities will continue?*

A: A limited number of the activities normally supported by the Federal government are "excepted" from shutting down during a lapse in appropriations. These activities meet a very strict legal standard for protecting life and property to continue. Some HUD programs will continue to operate during a lapse as a result. A full list of HUD programs and their designations under a lapse in appropriations can be found on the HUD website as part of HUD's Contingency Plan.

Q: *Will I be able to find and apply for a HUD Funding Opportunity during the lapse in appropriations?*

A: The Grants.gov System will be open and operating during the lapse in appropriations. The Grants.gov Contact Center also will remain available and provide assistance to callers during their normal operating hours of 24 hours a day, 7 days a week except Federal holidays. The Contact Center phone number is 800-518-GRANTS. The Contact Center can also be reached by email at Support@Grants.gov.

Applicants should refer to the HUD Funding Opportunity Announcement posted on Grants.gov for specific application deadline dates and times. Grants.gov registration and system technical questions can be addressed by the Grants.gov Contact Center Help Desk. Program specific questions, or questions about HUD specific requirements, should be directed to HUD staff listed in the funding notice. Please be aware that due to the lapse in appropriations, some HUD staff may not be available to address your questions until the Federal government returns to normal operations.

Applications submitted to Grants.gov during the lapse in appropriations will be processed as usual by the Grants.gov system and stored for agency retrieval. For specific information on registration, application submission, and timely receipt requirements, please read the instructions found in the program specific funding announcement posted to Grants.gov.

Agency systems may or may not retrieve the applications until after the Federal government returns to normal operations.

Q: *How would a lapse in appropriations affect the deadline dates for the submission of applications in response to HUD's Notices of Funding Opportunities (NOFOs)?*

A: Should a deadline for the submission of applications in response to a HUD NOFO fall during the lapse in appropriations, HUD may publish or post a notice extending the application deadline for the NOFO. The overall impact may result in delay in reviewing and awarding funds for these programs.

b) Office of Housing

Office of Single Family Housing/FHA

In the event of a lapse in appropriations, most HUD/FHA staff will not be available to respond to case-specific questions. However, the FHA Resource Center will remain operational, staffed by contractors who are equipped to receive and respond to general questions. When the Resource Center receives questions that cannot be answered by contract staff, such answers may be delayed until the government reopens.

The following HUD/FHA Information Resources will be available during a lapse in appropriations:

- HUD/FHA Resource Center: Telephone (800) CALL-FHA 225-5342 or Email: **answers@hud.gov**
- HUD's primary internet site: www.hud.gov
- The Resource Center FAQ site: www.hud.gov/answers

➤ Industry FAQs under a Lapse in Appropriations

Please be aware that HUD staff will not be available to respond to most incoming correspondence during a lapse in appropriations. The following are examples of such documents that will not be processed until the Government reopens: Review of FHA Test Cases, HRAP condominium approval packages, NAID requests, Partial Release and Well Waiver packages, etc.

The following HUD/FHA Information Resources will be available during a lapse in appropriations:

- HUD/FHA Resource Center: Telephone (800) CALL-FHA 225-5342 or Email: **answers@hud.gov**
- HUD's primary internet site: www.hud.gov

- The Resource Center FAQ site: www.hud.gov/answers

➤ **Origination**

Q: *Will the lapse in appropriations affect the processing or closing of FHA-insured loans?*

A: FHA will have limited staff during a lapse in appropriations and the processing or closing of FHA-insured loans may be delayed. The longer the lapse in appropriations lasts, the more serious the impact will be. All FHA underwriting and processing requirements would remain in force during the government shutdown and no loan may be endorsed that does not fulfill those requirements.

Q: *Will FHA insure any loans during the lapse in appropriations and does this also impact lenders with Lender Insurance (LI) authority?*

A: FHA-insured loans, with the exception of Home Equity Conversion Mortgages (HECM) and Title I loans, (Direct Endorsement or Lender Insurance) will be endorsed during lapse in appropriations as long as FHA does not run out of commitment authority. There may be delays in endorsement times for FHA.

Q: *Will FHA insure HECMs during the lapse in appropriations?*

A: No, FHA does not have the authority to insure additional HECMs during this period due to the statutory cap limiting the number of HECMs under the HECM Program.

Q: *Will FHA insure Title I loans during the lapse in appropriations?*

A: No, FHA does not have the authority to insure Title I loans during this period.

Q: *Will Condominium Project Approvals be processed?*

A: DELRAP approvals can continue to be processed, but HRAPS submissions will not be processed during a lapse in appropriations.

Q: *Can lenders with Lender Insurance (LI) approval continue to insure loans during the lapse in appropriations?*

A: Yes, as long as FHA does not run out of commitment authority. If FHA runs out of commitment authority, the lenders' LI Approval will be temporarily suspended.

Q: *Will lenders in test case status be able to have their loans reviewed and endorsed?*

A: No. FHA staff will not be available to review and endorse test cases.

➤ **Access to FHA Connection**

Lenders will be able to access FHA Connection, however, some functionalities may be unavailable. All FHA requirements remain in force during the lapse in appropriations regardless of system limitations.

Q: *Can a lender obtain a new FHA case number?*

A: Yes. Lenders will be able to obtain an FHA case number from the FHA Connection.

Q: *Will FHA TOTAL Scorecard be available for lenders?*

A: Yes. FHA TOTAL Scorecard will be available through Automated Underwriting Systems (AUS).

Q: *Will lender users be able to get password resets for FHA Connection?*

A: Lender user password resets are handled by their organization's FHAC Application Coordinators. The FHAC Application Coordinators for each lender will continue to have the ability to reset passwords and retrieve user IDs.

Q: *Will the Credit Alert Verification Reporting System (CAIVRS) be available during a lapse in appropriation?*

A: Yes. CAIVRS will be available, however, the information provided may not be up to date. FHA policy requires lenders to determine that borrowers seeking FHA financing do not have delinquent federal debt, which includes but is not limited to checking CAIVRS, public records, and credit reports; and obtaining documentation of debt resolution in accordance with the Debt Collection Improvement Act.

➤ **Mortgage Insurance Premiums**

Q: *Is FHA collecting the Upfront Mortgage Insurance Premiums (UFMIP) if a lender closes any loans during the lapse in appropriations?*

A: Yes. FHA will collect the UFMIP for any loans pending endorsement.

Q: *Is FHA collecting the monthly Mortgage Insurance Premiums (MIP)?*

A: Yes. Lenders are required to submit monthly MIPs to FHA during a lapse in appropriations.

➤ **Servicing**

Q: *Will FHA continue to pay partial claims to facilitate workout agreements to avoid additional foreclosures and increase in homelessness in my city, municipality or town?*

A: Yes.

Q: *Can lenders file a claim and convey a property if there is a lapse in appropriations?*

A: Yes. Lenders can file a claim and convey a property. The properties will be assigned to HUD's Management and Marketing contractors to maintain and sell. Claims meeting FHA's claim requirements will be paid.

Q: *Can lenders submit extension and variance request through the EVARS System?*

A: Yes. Lenders will be able to continue to submit extension or variance requests through EVARS.

Q: *Can lenders continue to take on-line courses through EClass?*

A: Yes. EClass's web-based training will be available for use.

Q: *Are lenders required to file monthly default reports to FHA?*

A: Yes. FHA's system for collecting the monthly default reporting will be available during a lapse in appropriations.

➤ **Lender Approval/Monitoring**

Q: *Are lenders required to submit routine compliance reporting to FHA-managed systems?*

A: Yes. FHA's lenders are required to submit routine compliance reporting to FHA-managed systems, which will be available during a lapse in appropriations.

Q: *Are lenders required to file monthly default reports to FHA?*

A: Yes. FHA's system for collecting the monthly default reporting will be available during a lapse in appropriations.

Q: *Are lenders required to submit audited financial statements to the Lender Electronic Assessment Portal (LEAP)?*

A: Yes. LEAP will be available during a lapse in appropriations. However, FHA will be unable to review and process any audited financial statements during a lapse in appropriations.

Q: *Will FHA monitor lenders during the lapse in appropriations?*

A: No. FHA will not perform any Quality Assurance processes (loan and lender monitoring activities) during a lapse in appropriations.

Q: *Can lenders submit applications to become an FHA approved lender through the LEAP?*

A: Yes. LEAP will be available during a lapse in appropriations. However, FHA will be unable to review and process lender applications.

Q: *Will FHA recertify a lender's request to renew their FHA approval?*

A: No. FHA will not recertify any lender's status as an FHA approved lender during a lapse in appropriations.

Q: *Will the Loan Review System (LRS) be available during a lapse in appropriations?*

A: Yes, Lenders will be able to access LRS to continue work on active reviews and response requests during a lapse in appropriations, but there will be limited capability for actions that require FHA staff intervention. Any cases under review by FHA will be put on hold.

Q: *Will FHA continue to request binders for review in the Loan Review System (LRS) during a lapse in appropriations?*

A: Yes. Some automated LRS loan selection and binder request processes will continue during a lapse in appropriations. Lenders will not be penalized for overdue LRS binder requests that are attributed to the lapse in appropriations.

Q: *Are lenders required to submit self-reports of loan level non-compliance?*

A: Yes, LRS will be available during a lapse in appropriations. However, FHA will be unable to review and process any self-reports during a lapse in appropriations

➤ **Consumer FAQs Under a Lapse in Appropriations**

Please be aware that HUD staff will not be available to respond to most incoming correspondence during a lapse in appropriations. The following are examples of such documents that will not be processed until the Government reopens: Submission of FHA Test Cases, HRAP condominium approval packages, NAID requests, Partial Release and Well Waiver packages, etc.

The following HUD/FHA Information Resources will be available during a lapse in appropriations:

- HUD/FHA Resource Center: Telephone (800) CALL-FHA 225-5342 or Email: **answers@hud.gov**
- HUD's primary internet site: www.hud.gov (will not be updated)
- The Resource Center FAQ site: www.hud.gov/answers

Q: *How will the lapse in appropriations affect the processing or closing of my FHA-insured loan?*

A: The lapse in appropriations may delay the processing or closing of your FHA-insured loan. Please contact your lender for the exact status of your FHA loan.

Q: *If I'm selling my home to a buyer utilizing FHA-insured financing will I still be able to complete the sale?*

A: The lapse in appropriations may delay the processing of an FHA-insured loan. Please contact your realtor and/or lender for the exact status of the FHA loan.

Q: *What about homeowners with FHA-insured mortgages facing foreclosure?*

A: Most loss mitigation for homeowners facing foreclosure (including FHA loan modifications, FHA-HAMP, etc.) will continue.

Q: *Will borrowers receive Upfront Mortgage Insurance Premiums (UFMIP) refunds?*

A: Yes. Borrowers will be able to receive unearned UFMIP refunds as long as they meet the streamlined process.

Q: *Will borrowers receive HECM payments from HUD during a lapse in appropriations?*

A: Yes. Borrowers will receive HECM payments.

Q: *Who can I contact about a health or safety issue with a HUD-owned property in my neighborhood?*

A: The staff at the FHA Resource Center (1-800-CALL-FHA) can provide contact information for contractors responsible for the maintenance of HUD-owned properties.

➤ **REO/HUD Home Sales**

Q: Will HUD Homes be listed?

A: Yes. HUD Homes will continue to be listed on www.hudhomestore.gov.

Q: Will I be able to place a bid on a HUD-owned property via the HUD Home Bid site during the lapse in appropriations?

A: Yes. The bidding site (www.hudhomestore.gov) will be available and maintained during the lapse in appropriations.

Q: Who can I notify about health or safety issues on a HUD-owned property?

A: The staff at the FHA Resource Center can provide contact information for contractors responsible for the maintenance of HUD-owned properties.

Q: Will HUD Broker Name Address Identifiers (NAIDs) applications be processed?

A: No. NAID applications will not be processed during the lapse in appropriations.

Office of Housing Counseling

Q: Will the Housing Counseling System (HCS) be available to HUD-approved agencies?

A: The Housing Counseling System (HCS) will not be available. Consequently, counseling agencies will be unable to update agency profile information, submit activity data, or otherwise utilize the functionality in HCS. Once HCS back online, FHA will require all counseling agencies to submit activity data for the lapse in appropriations period retroactively.

Q: Will clients be able to utilize Housing Counseling search engines?

A: The Housing Counseling web pages will not be updated. HUD's website housing counseling search functionality, and similarly HUD's toll-free number to search for counseling services, will still be available to households seeking counseling services. However, with HCS down, the data behind the search functionality will not be updated.

Q: Will HUD-approved agencies be able to access HUD grant funds through the LOCCS System?

A: While the LOCCS system should be functioning, there will be no HUD staff available to approve requests for disbursements. Consequently, no grant disbursements will occur during a shutdown.

Office of Multifamily Housing

➤ Multifamily Production

Q: Will HUD close loans?

A: Yes, but only on projects with Firm Commitments or Firm Approval Letters that have been issued prior to the lapse in appropriations.

Q: Will construction draws be processed? What about FHA Multifamily insured loans under construction?

A: The following policy will apply:

- MAP Lenders servicing construction loans may, at their and Owners' and General Contractors' risk, process interim construction or repair (in the case of Section 223(f) project) draws. Limited construction inspection functions may continue where such functions are to be performed under a funded contract provided the contractor has sufficient capacity to proceed independently, or when necessary, under the oversight of an excepted employee. HUD will perform or contract for all other construction inspections on a post-review basis at such time the government re-opens.
- For any projects that obtain local authority approval (i.e., a Certificate of Occupancy), the Construction Loan Administrator (i.e., the Lender) and Owner may proceed with allowing occupancy. HUD will review, and assuming appropriate, approve the permission to occupy on a post review basis at such time the government re-opens.

Q. Will HUD perform or contract for construction inspections during the lapse in appropriations?

A. Limited construction inspection functions may continue where such functions are to be performed under a funded contract provided the contractor has sufficient capacity to proceed independently, or when necessary, under the oversight of an excepted employee. HUD will perform or contract for all other construction inspections on a post-review basis at such time the government re-opens.

MAP lenders servicing construction loans should endeavor to coordinate the review and processing of construction draws with the assigned construction inspector.

Q. Will HUD permit MAP lenders servicing construction loans to release funds from the Operating Deficit and Working Capital Escrow accounts?

A. During a lapse in appropriations, MAP and Risk Share Lenders servicing construction loans may at their, and the Owners' risk, release funds from the Operating Deficit Escrow and Working Capital accounts. HUD will perform a review of releases at such time the government re-opens.

Q: What if my Firm Commitment or Firm Approval Letter expires?

A: Limited Staff will be available to process lender requests for amendments to the Firm Commitment, including extensions. Requests should be sent to the appropriate Regional or Headquarters Production Director for processing.

Q: Will HUD continue to process commitments and issue Firms so that we are able to rate lock?

A: No.

Q: As a lender, can I still assign? Will the Department be processing claims?

A: Yes, a lender may assign a loan; however, the processing of the claim may be delayed.

Q: Will HUD continue to collect MIP?

A: Yes.

Q: Will REAC still be scheduling and doing inspections?

A: Previously awarded inspections procured by HUD and funded by previous obligations will continue regardless of the reason for the inspection.

All inspections where the servicing mortgagee bears the responsibility for procuring the inspection will continue.

For inspections that are to be conducted by HUD employees:

- o Where there is reason to believe that there is a threat to life or property at that specific location, the inspection will continue.
- o Where there is no reason to believe that there is a threat to life or property at that specific location, the inspection will be cancelled.
- o When during a lapse in appropriation HUD becomes aware of a threat to life or property, HUD will schedule an inspection to be conducted by a HUD employee.

➤ **Asset Management and Assisted Housing**

Q: Will HUD make payments under Section 8 contracts, section 236, or PRAC from prior obligations or where there is a permanent or indefinite authority or multi-year funding?

A: HUD will make payments under previously obligated Section 8 contracts, Section 236 agreements, Interest Reduction Payment (IRP) contracts, Project Rental Assistance Contracts (PRAC), Section 811 Project Rental Assistance (PRA), PBCA contracts, and similar rental-assistance related contracts on an as needed basis to ensure ongoing viability of assets and preservation of affordable housing. The Department will work closely with OCFO to identify, when previously obligated Section 8, PRAC, and PBCA contract allocations may be insufficient to support ongoing program operations, if any permanent or indefinite authority is available or multi-year carryover funding remains that can be used to fund these assistance programs. If such funds are available, the necessary obligational actions will be taken to make such funds available for timely disbursement, including processing Section 8 and PRAC renewals for expiring contracts and processing amendment funds for non-expiring Section 8 contract renewals.

Q: Will HUD staff continue to approve HUD-9250s for releases of residual receipts or Reserve for Replacement to offset monthly voucher requests for Section 8 housing assistance payments?

A: Yes. Requests should be submitted to the Asset Management Division Director of the assigned HUD office to ensure they are seen and processed in a timely manner. A signed form HUD-9250 should be sent showing the request amount, balance in the account, and a certification that the funds will be paid back when subsidy is restored.

Q: Will Section 8 waiver requests be processed?

A: For the most part, no. However, for those properties which have received designations by HUD as troubled assets through its rating of insured and assisted assets, minimal staff

will be available to provide necessary oversight to ensure that actions can be taken to resolve imminent threats of claim or abatement.

Q: *Will PBCAs continue to perform their duties?*

A: Yes, PBCA contracts will continue their services as long as appropriated funds remain available.

Q: *Will HUD continue to process tenant certifications and electronic voucher payment requests?*

A: Yes. Tenant Rental Assistance Certification System (TRACS) will be available to process vouchers, provided that appropriate funds have already been obligated.

Q: *Will HUD continue to process requests for contract renewals during the lapse in appropriations?*

A: HUD will continue to process contract renewals to the extent that there is budget authority available from prior appropriations or recaptures.

Q: *Will HUD continue to operate the Multifamily Housing End User Support Help Desk during the lapse in appropriations?*

A: Yes. The Multifamily Housing End User Support Help Desk will respond to questions from users for the following systems:

- *Portal and Loan Underwriting System*
- *Integrated Real Estate Management System*
- *Tenant Rental Assistance Certification System*
- And, specific questions related to Multifamily Housing *Enterprise Income Verification* procedures.

Q: *Will Service Coordinator grants be processed during the lapse in appropriations?*

A: Funding staff will be available to ensure grants that have been obligated will be paid, but no new funding can be committed during the lapse in appropriations.

➤ **Multifamily FHA Insurance and General Asset Management**

Q: *Will the Financial Assessment Sub-System (FASS) accept audited financial statements?*

A: Financial statements may be submitted through FASS; however, if problems are experienced with a submission, the REAC Technical Assistance Center (TAC) will not be available to provide assistance.

Q: *Will HUD entertain requests for waivers or undertake other activities as part of routine asset management?*

A: For the most part, no. However, minimal staff will be available to review and approve urgent requests to resolve imminent threats to tenant health and safety or to property.

Requests should be clearly labeled as such and submitted to the appropriate Asset Management Division Director for processing.

Q: *Will HUD process emergency releases from reserves for critical repairs?*

A: Yes, on a limited basis. For requests for critical reserve releases for health and safety purposes, owners or agents should email the Asset Management Division Director for their assigned HUD office.

Q: *Will HUD process 9807 requests to pay off FHA-Insured loans during the lapse in appropriations?*

A: Yes. Requests should be submitted to InsuranceTerminationRequests@hud.gov.

Q: *Will HUD process Extensions of Elections to Assign during the lapse in appropriations ?*

A: Yes. Requests should be directed to the appropriate Asset Management Division Director for processing.

➤ **Office of Recapitalization**

Q: *Can I submit a Section 236 refinance/prepayment application?*

A: Yes, however there will not be staff to review the applications during the lapse in appropriations and the review would start when the lapse in appropriations is over.

Mark-to-Market (M2M)

Q: *Will PAEs continue to work on M2M transactions?*

A: Yes, PAEs will continue to do their normal functions up to and unless they reach a point where they normally require HUD approval, waiver, or authority to proceed.

Rental Assistance Demonstration (RAD)

Q: *Will PHAs still have the ability to submit RAD Applications during a lapse in appropriations?*

A: Yes, applications for RAD can be submitted through RADApplications@hud.gov during a lapse in appropriations. However, there will not be staff to review any submissions received during the lapse in appropriations. Review of these applications would begin when the lapse in appropriations is over.

Q: *Will RAD processing by HUD staff continue during the lapse in appropriations?*

A: No, staff cannot process routine underwriting tasks during this time. However, some closing activities may continue (see below).

Q: *I have a RAD project that is scheduled to close, will I be able to close my RAD deal during the lapse in appropriations ?*

A: Closings on rental assistance conversions scheduled as part of the Rental Assistance Demonstration (RAD), where a Rental Assistance Demonstration Conversion

Commitment (RCC) (applicable to Component 1) or a Rental Assistance Demonstration Approval (applicable to Component 2) was issued, and the closing was scheduled prior to the lapse in appropriations will continue. In addition, where the failure to close or prepare to close would threaten the property and demands an immediate response (i.e., loss of tax credits), the closing will continue.

➤ **Section 202/811 Programs**

Q: *Will closings continue for Section 202/811 new construction projects?*

A: Yes, but only on projects with firm commitments that have been issued prior to the lapse in appropriations.

Q: *Can Section 202/811 projects that are currently under construction continue to access necessary funds and have inspections performed?*

A: HUD will process construction draws using intermittent staff to respond to issues relating to an imminent threat to life or property. HUD will rely on the sponsors' supervisory architects' certifications and will perform or contract for construction inspections on a post-review basis at such time the government re-opens.

Q: *Will there be technical assistance available to grant applicants?*

A: No.

Q: *Will HUD process Service Coordinator extensions?*

A: No.

Q: *Can I still submit my application to Grants.gov?*

A: Yes, Grants.gov will be accessible, however phone support in program offices will not be available.

Q: *Will I be able to find and apply for a HUD funding Opportunity during the lapse in appropriations?*

A: The Grants.gov System will be open and operating during the lapse in appropriations. The Grants.gov Contact Center also will remain available and provide assistance to callers during their normal operating hours of 24 hours a day, 7 days a week except Federal holidays. The Contact Center phone number is 800-518-GRANTS. The Contact Center can also be reached by email at Support@Grants.gov. Due to the lapse in appropriations, some HUD staff may not be available to address your questions until the Federal government returns to normal operations.

Applications submitted to Grants.gov during the lapse in appropriations will be processed as usual by the Grants.gov system and stored for agency retrieval. For specific information on registration, application submission, and timely receipt requirements, please read the instructions found in the program specific funding announcement posted to Grants.gov.

Agency systems may or may not retrieve the applications until after the Federal government returns to normal operations.

Office of Healthcare Programs

Q: *We have received a mortgage insurance commitment and are scheduled to go to closing. Can the loan closing occur as planned?*

A: Loan closings and related activities (including amendments to firm commitments where appropriate) will occur during the lapse in appropriations if an insurance commitment was issued prior to the lapse in appropriations.

Q: *Will construction draw requests, construction or environmental inspections, or change orders for healthcare projects continue during the lapse in appropriations?*

A: No, except that during a lapse in appropriations, Lenders servicing loans having a construction or repair component may, at their and Owners' and General Contractors' risk, process interim construction or repair draws. Limited construction inspection functions may continue where such functions are to be performed under a funded contract provided the contractor has sufficient capacity to proceed independently, or when necessary, under the oversight of an excepted employee. HUD will perform or contract for all other construction inspections on a post-review basis at such time the government re-opens.

Q: *How will the lapse in appropriations affect the review and underwriting of pre-applications and applications?*

A: All review and underwriting activities will cease.

Q: *Will HUD continue to process commitments and issue Firms so that we are able to rate lock?*

A: No.

Q: *Will HUD continue to collect MIP?*

A: Yes.

Q: *Will the Office of Healthcare Programs process emergency releases from reserve accounts?*

A: Yes, on a limited basis.

c) Office of Public and Indian Housing

Resident Questions

Q: *Will my public housing authority, Tribe, or Tribally Designated Housing Entity remain open during a lapse in appropriations?*

A: Public housing authorities (PHAs), Indian tribes, and tribally-designated housing entities (TDHEs) are not part of the Federal Government and, therefore, would not be required to

close during a lapse in appropriations. However, since PHA, Indian tribe, and TDHE administrative and operational funding is provided by the Federal Government and may be impacted by the lapse in appropriations, some PHAs, Indian tribes, and TDHEs may need to reduce or change their normal operating hours. You should contact your local PHA, Indian tribe, or TDHE for information related to the status of its operations and business.

Q: *In the event of a lapse in appropriations, will I lose my rental assistance if I live in Public Housing, Indian Housing, or receive a Housing Choice Voucher?*

A: Depending on the length of the lapse in appropriations, some PHAs, Indian tribes, and TDHEs may not be able to maintain normal operations. You should contact your local PHA, Indian tribe, or TDHE for information related to the status of its operations and business hours.

Q: *What happens in the event I am facing an eviction?*

A: You should contact your local PHA, Indian tribe, or TDHE for questions related to any pending evictions.

Q: *Who may I contact if I have questions, concerns or complaints regarding Housing Choice Voucher programs, my PHA, Indian tribe, TDHE, landlord, unit condition, etc.?*

A: You should contact your PHA, Indian tribe, TDHE, or locality for assistance in responding to your particular needs or concerns.

Questions from Public Housing Authorities, Indian tribes, TDHEs, and other Tribal Entities

Q: *In the event of a lapse in appropriations, will I be able to draw down funding for the Public Housing program, Indian Housing programs, and the Housing Choice Voucher program?*

A: For the Public Housing program, yes, you will be able to draw down funds from the Line of Credit Control System (LOCCS) that had been previously obligated to you and which can be drawn down without further action or review by HUD employees. However, previously obligated funds that require HUD action or review before disbursement will not be available, except in those cases where there is an imminent threat to lives or property.

For Indian housing programs, you would be able to access funds in LOCCS that have been previously obligated to you. However, previously obligated funds that require HUD action or review before disbursement will generally not be available, except in those cases where there is an imminent threat to lives or property limited HUD staff will be made able to approve those requests.

For the Housing Choice Voucher program, payments will be disbursed to PHAs so long as available funds were previously obligated. See page 11 for limited exceptions. Previously obligated amounts in HUD-held reserves (HHR) may be requested or

automatically disbursed to address emergency situations such as families at risk of termination.

Q: *How does the Federal government communicate with the public during a lapse in appropriations?*

A: When a shutdown occurs, you should go to the Office of Management and Budget's website at www.whitehouse.gov/omb/ for updates. The HUD website will not be regularly updated. Please also pay close attention to the media for information on the government reopening. If you are a federal employee, please monitor the Office of Personnel Management's website (www.opm.gov) for information about when federal employees should report back to work.

Q: *I've heard that there will be very limited staffing during a lapse in appropriations. How will we be able to contact staff in the Office of Public and Indian Housing and the Office of Native American Programs if I have an emergency? Will there be a centralized email, fax or phone number?*

A: Only excepted staff will be available to respond to emergency issues. There will be no staff to answer non-emergency questions. The contact information for PIH emergency operations during the lapse in appropriations will be posted on the HUD website.

Q: *Will previously scheduled meetings with PIH staff or appearances by PIH officials, in or outside of Washington, take place during the closure?*

A: In the event of a lapse in appropriations, all meetings and appearances related to non-excepted activities would be cancelled.

Q: *Will PIH staff be able to travel for the purposes of monitoring or to provide technical assistance to Public Housing Authorities, Indian tribes, and TDHEs?*

A: No. HUD staff would not be able to travel during the lapse in appropriations unless it is for emergency purposes or excepted activities.

Q: *Will I be able to utilize HUD secure systems (including VMS, IMS/PIC and FASS) to make submissions on behalf of my organization during lapse in appropriations?*

A: Yes. HUD secure systems will remain available; however, there will be no contractor or HUD-staff support for system-related issues (e.g., submission questions or approvals) during a lapse in appropriations.

Q: *Will announcements for funding under any PIH Notice of Funding Availability (NOFAs) be made during a government closure?*

A: No awards will be announced during lapse in appropriations.

Questions from PHAs - Capital Fund and Mixed Finance/Development

Q: *In the event of a natural disaster, will HUD be able to provide emergency/disaster funding to PHAs?*

A: For a disaster/emergency that has occurred before or during the lapse in appropriations, PHAs would be able to apply for funding for emergencies and non-Presidentially

declared disasters. PIH may monitor the receipt of such applications and, for applications responding to a threat to safety of human life or the protection of property, process such applications but generally not through to the point of obligation of funds, since the authority to obligate funds for such disaster/emergencies would have lapsed. The only exception to this would be an application for assistance related to a disaster/emergency that had occurred in a prior Fiscal Year and for which PIH had sufficient available carryover funding from that year; in that case, PIH would be authorized to obligate the available carryover funds.

For Presidentially declared disasters during a lapse, the Department recommends that FEMA be the first contact for PHAs, Indian tribes, and TDHEs.

Q: *Will the Capital Funds for the new Fiscal Year be distributed?*

A: The formula and distribution are dependent upon final funding levels and will be processed after the passage of an appropriations bill.

Q: *Will our housing authority be able to access LOCCS (Line of Credit Control System) during the lapse in appropriations?*

A: As noted above, you will be able to draw down funds from LOCCS (Line of Credit Control System) for the purpose of accessing funds for public housing (operating subsidies and capital funds) that have already been obligated in the system and which can be drawn down without further action or review by HUD employees. The LOCCS system will be available to all PHAs during a lapse in appropriations for open grants. However, if a PHA has a grant on automatic review there will not be staff available to assist with the review and approval. Excepted staff will only be able to address emergency issues related to grants on automatic review. In addition, no new grants will be awarded during the period of the lapse in appropriations.

Q: *We have a mixed finance transaction in process and our Low Income Housing Tax Credits will be expiring. Will we be able to get our transaction closed?*

A: In the case of a government shut-down, HUD staff will only close Mixed-Finance housing transactions on an emergency basis, where a set closing date cannot be extended and failure to close by the set date would result in loss of financing, (e.g., Low-Income Housing Tax Credits, New Markets Tax Credits and/or other critical financing), which would threaten the viability/feasibility of the proposed housing development project. In all other circumstances, the PHA should work with its development partners and investors to determine other options during the shut-down.

Q: *What if we have an issue with our HOPE VI or Choice Neighborhood grant?*

A: The ability to provide approval for projects that are closing or to complete reviews will only be done on an emergency basis, and grantees need to make contingency plans in order to be able to handle any issues that come up during the lapse in appropriations .

Questions from Choice Neighborhoods Grantees

Q: *Will we be able to access the Line of Credit Control System (LOCCS) during the lapse in appropriations?*

A: As noted above, you will be able to draw down funds from LOCCS for the purpose of accessing funds for public housing (operating subsidies and capital funds) that have already been obligated in the system and which can be drawn down without further action or review by HUD employees. The LOCCS system should be available to all Choice grantees during a lapse in appropriations for open grants. However, if the grant is on automatic review there will not be staff available to assist with the review and approval. Excepted staff will only be able to address emergency issues related to grants on automatic review. In addition, no new grants will be awarded during the lapse in appropriations.

Q: *We have a Choice Neighborhoods replacement project ready to close and our Low Income Housing Tax Credits will be expiring. Will we be able to close?*

A: The Office of Public Housing Investments (OPHI) will only close transactions during a lapse in appropriations when necessary to preserve the viability of the project or to protect human lives. For any other project, the PHA should work with its development partners and investors to determine how to proceed.

Q: *Are the quarterly reports still due or should we wait until the lapse in appropriations is over?*

A: Quarterly reports should still be submitted as the data is reviewed by HUD's contractor.

Questions from PHAs – Housing Choice Voucher Program

Q: *Will PHAs receive Housing Assistance Payments (HAP) and administrative fees?*

A: HAP, administrative fees, EHV Program and Mainstream Vouchers funding that has been previously obligated will be disbursed at their normally scheduled time. See page 11 for limited exceptions. However, any funding action which requires HUD staff assistance (e.g., HAP and fee frontload requests, submissions of budget revisions for EHV Program, ModRehab, Mainstream Vouchers, SRO, etc.) will not be processed during the lapse in appropriations with limited exceptions for tenant protection vouchers (see question below). Obligated HAP funds (HUD-held reserves) are available for disbursement. Excepted personnel at FMC in Kansas City will be available to assist in those cases where there is an imminent threat to life or property including families at risk of termination of assistance.

Q: *Will HUD process funding requests for tenant protection vouchers for public housing demolition/disposition activities or Multifamily Housing Conversion Actions (e.g., owner prepayments and opt-outs) during a lapse in appropriations?*

A: During the period of the lapse in appropriations these applications will not be processed. However, tenant protection voucher requests will be processed in those cases where there is an imminent threat to lives or property.

Q: Will HUD continue to process subsidy-layering reviews (SLR) during a lapse in appropriations?

A: During the period of the government shutdown HUD will be unable to process subsidy-layering reviews. However, SLRs will be processed in those cases where there is an imminent threat to lives or property.

Q: Should PHAs continue to issue vouchers during a lapse in appropriations?

A: PHAs are not required to cease issuing vouchers during a lapse in appropriations. PHAs should assess their financial ability to make payments on behalf of currently assisted households as well as those potentially to be served when considering their ability to issue vouchers.

Q: Will MTW PHAs be able to access additional payments for non-HAP, MTW-eligible expenses during a lapse in appropriations?

A: HUD staff will not process funding assignments for non-HAP, MTW-eligible activities during a lapse in appropriations, except where there is an imminent threat to lives or property. MTW PHAs, like all PHAs, would only be able to schedule payments that are already obligated in the system. In addition, exempt staff would not be able to respond to questions by phone or email, so technical assistance during a lapse in appropriations may also be affected.

Office of Native American Programs

Q: How would a lapse in appropriations impact operations of the Office of Native American Programs (ONAP) Office of Loan Guarantee?

A: The Office of Loan Guarantee (OLG) will be closed. Therefore, no case numbers, firm commitments or loan guarantee certificates will be issued for the Indian Housing Loan Guarantee Program (Section 184) and Native Hawaiian Housing Loan Guarantee Program (Section 184A), and no firm commitments or loan guarantees would be issued for the Indian Housing Block Grant Loan Guarantee (Title VI program). Furthermore, no claims would be paid during a lapse in appropriations.

However, HUD would take limited necessary actions to protect against imminent threat to life, safety, or property.

Q: Will technical assistance and training for ONAP grantees still be provided during the government shut down?

A: Yes. However, technical assistance and training would be limited to those requests that were already approved and obligated prior to a lapse in appropriations and that do not require HUD staff review and approval.

Q: How will the government shut down affect individual Indian Housing Block Grant (IHBG) and Indian Community Development Block grant (ICDBG) awards?

A: All previously obligated IHBG and ICDBG funds that have been made available in LOCCS will be available for draw down during the government shut down. Grant recipients should continue to use the same process for drawing down funds from LOCCS.

Q: *When will Indian Housing Block Grant recipients receive their grant award, if the Grant Agreement was not returned prior to a lapse in appropriations?*

A: If the grantee did not return their signed grant agreement prior to a lapse in appropriations, grant funds will not be available in LOCCS until the grant agreement process is completed. All processing will cease during a lapse in appropriations.

Q: *Is any funding available to Indian Housing Block Grant during the government shut down?*

A: Yes, IHBG and ICDBG funds recorded and made available in LOCCS prior to the government shut down will be available to grantees during a lapse in appropriations. Grantees should use the normal LOCCS process to draw down funds during a lapse in appropriations.

Q: *Will the Indian Housing Block Grant (IHBG) Formula Customer Service Center continue to operate?*

A: The IHBG Formula Customer Service Center will operate during a lapse in appropriations. Requests can be sent via e-mail, facsimile, or voicemail; however, when actions by the Formula Customer Service Center require HUD action or review, responses to such requests may be delayed until a lapse in appropriations has ended.

Q: *Will tribes/TDHEs be notified of their IHBG formula allocations during a lapse in appropriations?*

A: No, tribes/TDHEs will not be notified of their IHBG formula allocations during a lapse in appropriations.

Rental Assistance Demonstration

Q: *Will PHAs still have the ability to submit Rental Assistance Demonstration (RAD) Applications during a lapse in appropriations?*

A: Yes, applications for RAD can be submitted through RADApplications@hud.gov. However, there will not be staff to review during a lapse in appropriations and the review would start when the lapse in appropriations is over.

Q: *I have a RAD project that is scheduled to close, will I be able to close my RAD deal during a lapse in appropriations?*

A: Closings on rental assistance conversions scheduled as part of the Rental Assistance Demonstration (RAD) where a Rental Assistance Demonstration Conversion Commitment was issued, and the closing was scheduled prior to a lapse in appropriations will continue. In addition, where the failure to close or prepare to close would imminently threaten the property and demands an immediate response (e.g., loss of tax credits), the closing may continue during the lapse.

Real Estate Assessment Center

Physical Inspections

Q: *There is a physical inspection auction scheduled during a lapse in appropriations. Will it still happen and if not, how will we (the contractor/ inspectors/PHAs/POAs) be notified?*

A: If the Federal Government shuts down, the auction will be postponed. The only exception to this rule is if holding a limited auction is necessary to schedule inspections for specific projects where a known health or safety risk exists. The Reverse Auction Program (RAP) contractors who are eligible to bid on auction properties will be notified via email.

Q: *If an inspection is confirmed and scheduled, may the inspector conduct the inspection during a lapse in appropriations?*

A: Yes and no. Where contracts have been obligated prior to the lapse in appropriations, contracted inspectors will conduct the inspection during a lapse in appropriations. However, HUD employees will not be able to conduct inspections during a lapse in appropriations unless there is a known threat to life or property at that specific location.

Q: *Will inspection results, which have been uploaded into Real Estate Assessment Center (REAC) near the date of a lapse in appropriations, be released?*

A: No. There will be no staff available to review the inspections nor decide on their release during a lapse in appropriations.

Q: *Can I upload inspections during a lapse in appropriations?*

A: Yes, but they will not be reviewed and therefore cannot be released as discussed above. Also there will be no technical support available during a lapse in appropriations if upload problems are encountered.

Q: *Will the Reverse Auction Program (RAP) contractors be able to bill HUD for their RAP inspections?*

A: Yes, contractors will be able to bill up to the line of credit which will be current as of the date of a lapse in appropriations.

Q: *Will Inspector Administration (IA) continue to report performance or conduct issues to contract inspectors during a lapse in appropriations?*

A: IA will not communicate any performance or conduct issues to inspectors during the period of a lapse in appropriations.

Q: *Will Inspector Administration (IA) receive, investigate, and respond to alleged complaints against inspectors*

A: IA will not receive, investigate, or respond to any complaints during a lapse in appropriations.

Q: *Can I still submit an appeal if the government is closed?*

A: Yes, you should still submit your request for a technical review (TR) within the deadlines specified in the regulation; however, none will be reviewed until after the government reopens. Therefore, a response to an appeal will most likely be delayed.

Q: *If my PHA or property is scheduled to undergo a physical inspection during a lapse in appropriations, will the inspection still be conducted?*

A: Yes and no. Where contracts have been obligated prior to the lapse in appropriations, contracted inspectors will conduct the inspection during a lapse in appropriations. However, HUD employees will not be able to conduct inspections during a lapse in appropriations unless there is a known threat to life or property at that specific location. For any canceled inspections, the HUD inspector will contact your PHA/property again and re-negotiate a mutually agreeable date for the rescheduled physical inspection to take place after the lapse in appropriations is resolved.

Technical Assistance Center (TAC)

Q: *Will someone with the REAC Technical Assistance Center (TAC) be available to take calls, answer questions, and provide customer service?*

A: Yes. The TAC will be operational and available to receive and answer questions. Responses that require HUD staff review or approval will be delayed until the lapse in appropriations has ended.

Public Housing Assessment System (PHAS)

Q: *Will PHAS scores be released?*

A: No, PHAS scores will not be released until after the government reopens.

Q: *Will PHAS appeals be accepted and reviewed?*

A: You should still submit your appeal on time in accordance with regulation; however, appeals will not be reviewed, and you will not receive a response until after the Government reopens.

Financial Submissions (FASS-PH and FASS-MF)

Q: *Can PHAs submit their financial information during a lapse in appropriations?*

A: Since the financial system will still be operational during a lapse in appropriations, PHAs will still be able to submit their financial information; however, no one will be available to review the submission until the Government reopens.

Q: *Will Public Housing financial late presumptive failures (LPF) be levied for PHAs that fail to submit timely?*

A: No. LPFs will not be levied for late submissions during a lapse in appropriations; however, any PHA that is due to submit, but does not submit by the due date must submit immediately after the Government reopens.

Q: *Will multifamily properties be able to submit their financial data?*

A: Yes. However, no one will be available to review the submissions during a lapse in appropriations. Any property that is due to submit but does not submit by the due date must submit immediately after the Government reopens.

Q: *If I encounter a REAC financial system problem while attempting to submit my financial information, will someone be available to assist me at the REAC Technical Assistance Center (TAC)?*

A: The REAC Technical Assistance Center will be available to assist during a lapse in appropriations.

d) Fair Housing and Equal Opportunity (FHEO)

Fair Housing Initiatives Program:

Q: *When will I be able to receive funds?*

A: Funds will be available for FHIP grantees for all work conducted prior to a lapse in appropriations, where the GTR has already approved payment before the lapse occurs. For work completed or payment requests submitted during the lapse in appropriations, HUD staff will not be available to review work or approve payment requests during the lapse. Such requests will be reviewed when the government reopens.

Fair Housing Assistance Program:

Q: *Will I be paid for fair housing complaints processed during a lapse in appropriations.*

A: Subject to the status of appropriation and in accordance with relevant guidance, the Department will reimburse FHAP agencies for investigations conducted during a lapse in appropriations.

Q: *Will I be able to use HEMS?*

A: Yes. HEMS will continue to be operational during a lapse in appropriations. However, the Department will be unable to provide any technical support for the operation of HEMS.

Q: *Will I be able to draw down funds?*

A: Since drawing down funds requires approval from HUD staff, FHAP agencies will be unable to draw down FHAP funds from LOCCS during the lapse in appropriations.

Q: *Will complaints be dual filed during the government lapse in appropriations?*

A: Yes. Complaints originated by the FHAP agencies should be referred to HUD for dual filing after the government resumes service. Complaints received by HUD during a lapse in appropriations will be referred and dual filed once the government resumes service.

Fair Housing Complaints:

Q: *Can I still file a housing discrimination complaint when there is a lapse in appropriations?*

A: You will be able to submit file housing discrimination complaints during a lapse in appropriations; however, your complaint will not be assessed until the government reopens. If timeliness is in question, complaints will be considered filed as of the date received by the Department.

To file a complaint, you may:

- Complete HUD's on-line [Complaint Form](#) (Allegations submitted with the online complaint form will not be assessed until the government reopens.); or
- Mail a complaint into HUD (Allegations submitted by mail will not be assessed until the government reopens). Please include the following information:
 1. Your name, address, and telephone numbers where you can be reached;
 2. The name and address of the persons, businesses, or organizations you believe discriminated against you;
 3. If there is a specific property involved, you should provide the property's address and physical description, such as apartment, condominium, house, or vacant lot; and
 4. A brief description of how you were discriminated against in an activity related to housing. You should include in this description the date when the discrimination happened and why you believe the discrimination occurred because of race, color, religion, national origin, sex, disability, or familial status (i.e., the presence of children under the age of 18 in a household or the presence of a person who is pregnant or in the process of securing legal custody of a person under the age of 18).
- Leave a voicemail on the FHEO Housing Discrimination phone line (1-800-669-9777.) Please refer to the information requested above. Messages left by phone will not be assessed until the government reopens; or
- Contact a [state or local fair housing enforcement agency](#);
- Contact a private fair housing group in your community for assistance in addressing housing discrimination.

Q: *What is the status of my case?*

A: Because the government is closed, no action can currently be taken on any investigation or conciliation conducted by the Department of Housing and Urban Development. When the government reopens, we will resume action on your case. If your case is with a state or local fair housing agency, its investigation will continue.

Speaking Engagements

Q: *I had an event planned with a representative from FHEO. Will they be able to speak at my event?*

A: So long as the Government is closed, FHEO representatives will not be available to appear at any events. If the Government resumes business within 72 hours prior to your event, FHEO will determine whether the representative is able to attend your event.

While we hope to be able to attend all the events we had previously agreed to, we understand how critical these events are to mission of your organizations, and that you may need to find an alternate speaker.

e) Office of General Counsel

Q: *I am involved in a proceeding before HUD's Office of Hearings and Appeals. Will a lapse in appropriations impact this?*

A: Yes. The attorney representing the Government will file a stay of the proceedings due to the lapse in appropriations. If you are a party to the proceedings, you may file a response either opposing or supporting the stay. If the presiding judge grants the stay, the proceedings will be held in abeyance during a lapse in appropriations period and resume after the government reopens.

f) Office of Policy Development & Research

Q: *Will new content be posted on HUD User during a lapse in appropriations?*

A: No, in the event of a lapse in appropriations, no new content would be posted.

g) Office of the Chief Financial Officer

Q: *Will system support be in place to assure continuity of payments for obligations incurred?*

A: Yes. Limited HUD staff will be supported by application support contractors working at non-government locations to keep payment systems operational.

Q: *Will payments continue to be made for existing obligations?*

A: Yes. There will be a limited staff to support such activities.

Q: *Will the travel office be open for emergency situations?*

A: Yes, the travel office will be staffed to assist with travel for emergency purposes or excepted activities.

Q: *If funding was provided under the prior CR does that funding remain available?*

A: Funding provided under the prior CR is only available if the funds had already been obligated prior to the lapsing of the CR. The authority to use any of the unobligated CR funds is unavailable during a lapse.

h) Office of Lead Hazard Control and Healthy Homes

Q: *If I have questions during a lapse in appropriations about a lead hazard control or healthy home grant, who can answer my questions?*

A: During a lapse in appropriations, the Office of Lead Hazard Control and Healthy Homes will have minimal staff on hand to answer questions. You may email Michelle Miller at Michelle.M.Miller@hud.gov, or Matt Ammon at Matthew.E.Ammon@hud.gov.

i) Ginnie Mae

Q: *Will Ginnie Mae continue to operate during a lapse in appropriations?*

A: Yes, Ginnie Mae will continue to operate if the government shuts down. Ginnie Mae's role in the secondary mortgage market is vital to the market's stability and liquidity and

to maintaining overall economic security. Therefore, Ginnie Mae employees will continue excepted business operations under an emergency exception. Ginnie Mae will have limited staff available to manage business operations and answer questions. Ginnie Mae contractors are paid from Ginnie Mae reserves under a permanent indefinite appropriation, so there will not be a break in contractor services on excepted functions.

Q: *Will I be able to get commitment authority during a lapse in appropriations?*

A: Ginnie Mae does have multi-year commitment authority which will be available upon approval by OMB, which is anticipated to be in place prior to the shutdown.

Q: *Can I issue securities during a lapse in appropriations?*

A: Yes, Ginnie Mae will continue to process pools and guarantee securities.

Q: *Will I still receive monthly principal and interest payments?*

A: Yes, issuers will continue to make pass-through payments to investors during a lapse in appropriations.

Q: *If there is a need for Ginnie Mae to pay out on its guaranty during a lapse in appropriations, can Ginnie Mae do so?*

A: Yes, even if there is a lapse in appropriations Ginnie Mae will honor its guaranty.

Q: *If I need to process a pool, where can I get information about Ginnie Mae's procedures?*

A: For questions about Ginnie Mae policies and procedures, you can consult the Ginnie Mae MBS guide on its website at ginniemae.gov, or contact Ginnie Mae's pool processing agent, the Bank of New York, Ginnie Mae Helpdesk at 1 (800) GNMA (4662).

Rental Assistance Dashboard
October 21, 2025 (Data as of September 30, 2025)

Totals

	<u>Previous Month</u>	<u>Current Month</u>	<u>Change</u>
Paid Units	3,462	3,784	322
Budgeted Units		8,317	
All Section 8 HAPs	2,246,334	2,291,166	44,831
All Waitlists	2,140	2,438	298

Rental Assistance Tenant Based Programs

	<u>Month</u> <u>8/29/2025</u>	<u>9/30/2025</u>	<u>Change</u>	<u>Year</u> <u>HAP</u>	<u>HUD</u> <u>Budget</u>	<u>Fees</u>	<u>Term</u>
Housing Choice Voucher (HCV)							CY2025
Paid Units (3625 Agency contracts)	2,834	2,819	(15)			145,035	
Current Month Payment Amount	1,975,478	2,010,037	34,558	17,610,134		1,377,119	
Veterans Affairs Supportive Housing (VASH)							CY2025
Number Units Paid (321 Authorized)	250	258	8			14,096	
Payment Amount	170,151	178,286	8,135	1,426,004		114,332	
Moderate Rehabilitation (ModRehab)							
Number Contracts			0				
Paid Units (297 Authorized)	65	68	3			3,562	
Payment Amount	37,019	39,396	2,377	512,505		40,027	
Mainstream							
Number Units Paid	24	22	-2			1,173	
Payment Amount	18,511	17,478	-1,033	157,830		12,098	
Project Based VASH							
Number Units Paid	2	2	0			0	
Payment Amount	1,370	1,403	33	2,773		0	
EHV							
Number Units Paid	53	53	0			3,022	
Payment Amount	43,299	44,148	849	388,891		29,369	

Rental Assistance Project Based Programs

Project-Based Section 8					Admin Earnings
Contracts	89	89	0		262,194
Units Paid (4132 Authorized with 8bb)	3,440	3,588	148		Contract Extension
Payment Amount	2,784,711	3,036,461	251,750		
Calendar Year Admin Earnings					1,328,551
811 Project Rental Assistance Demo (FY)					
Rental Assistance Contracts (RAC)			0	Disbursed: 1,346,354	Balance: 22,249
Units (grant authorized up to 82)	21	4	-17		8 Units Kalispell
Payment Amount	11,572	12,978	1,406		40 Units Missoula
Original grant is terminating; transitioning to annual contracts.					5 Units Ronan
					21 Units Boz/Belgrade
					74

Rental Assistance Waiting Lists

	<u>8/29/2025</u>	<u>9/30/2025</u>	<u>Change</u>	<u>Waitlist re-opened 7/1/2025</u>
Regional Field Agencies				
Action for Eastern Montana	120	121	1	

HomeFront Billings	219	237	18
Billings HRDC (outside city limits)	44	86	42
Bozeman	289	297	8
Butte	101	155	54
Helena	115	98	-17
Kalispell	227	221	-6
Lewistown	15	3	-12
Missoula	462	476	14
Opportunities Inc (Great Falls & Havre)	92	121	29
Moderate Rehabilitation Billings	88	125	37
Moderate Rehabilitation Chinook	7	7	0
Moderate Rehabilitation Great Falls	260	345	85
Moderate Rehabilitation Helena	26	41	15
Moderate Rehabilitation Missoula	75	105	30
TOTAL	2140	2438	298