




M E M O R A N D U M

January 31, 2018

TO: Interested parties of MSHDA's Gap Financing and Direct Lending Programs

FROM: John A. Hundt 
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SUBJECT: Future Funding Round Status

MSHDA will hold the next competitive funding round for gap financing to be used with MSHDA tax-exempt bond financing and 4% LIHTC on August 15, 2018. Although an early 2018 gap financing round was originally contemplated, due to the quality of the developments submitted in the August 2017 funding round and the amount of gap financing currently projected to be needed for those applications, MSHDA has decided not to take competitive applications for gap funding until later this year. The decision to allocate more resources to the August 2017 round was made with the goal of funding as many developments with the limited gap funding resources as possible, and to allow the significant number of strong developments that were received in that round to proceed sooner, as opposed to waiting to apply again in a future gap financing round. Therefore, the next round of the Gap Financing Program is currently expected to take place with an August 15, 2018 start date.

Please note however, that, in an effort to assist in completing developments needing lesser amounts of gap financing, MSHDA will continue to accept and process applications with gap funding needs for any proposal that can achieve and maintain a soft to hard debt ratio of less than 20%. Applications meeting this gap funding level may be submitted at any time.

If you have any questions regarding the above or about MSHDA's Direct Lending Program in general, please contact John Hundt at (517) 241-7207.