

Instructions for Neighborhood Stabilization (NSP) Disbursements

General Requirements

Prior to the submission of any of the forms listed below, Subrecipient must have completed all instructions and steps described on the Request of Release of Funds Form. See Minnesota Housing NSP Manual for additional disbursement restrictions.

Draw requests may be submitted on a daily basis; processing days will be Monday through Thursday, except for state-observed holidays. Once the request is processed and approved, Subrecipients will receive an email notification of your disbursement approval. NSP funds will be sent through an electronic funds transfer transaction to your account within eight (8) business days of the date of the disbursement approval.

Subrecipient may mail or email the disbursement request to Minnesota Housing. Minnesota Housing's mailbox for email requests for funds is: nsp.mhfa@state.mn.us.

If emailed, Subrecipients must mail a copy of the request with original signatures and supporting documentation to:

Minnesota Housing
Attn: Ruth Simmons
400 Sibley Street, Suite #300
St. Paul, MN 55101.

Authorized staff

Subrecipients are required to maintain records of persons authorized to request NSP grant funds. Copies of disbursement requests and all supporting documents must be retained by Subrecipients for monitoring purposes.

Disbursement Amount

At no time may the amount requested for disbursement exceed the dollar amount awarded under the Activity or the NSP grant.

Forms

- Initial Property Set-up
- Disbursement/Expenditure Request
- Disbursement Request/Administrative costs only
- NSP Property Close-Out

Additional Guidance

Buyer-Driven Rehabilitation and Downpayment Assistance

- Subrecipients requesting NSP funds for Buyer-driven Rehabilitation and Downpayment assistance ONLY, where there will be a one-time funds request, should only use the Property Close-out form to report household characteristics and attach a Disbursement/Expenditure Request for the NSP funds under these activities.

Program Income

- Program income is not property specific. Subrecipient must:
 - Track and report program income using the disbursement and expenditure request forms
 - Carry forward balances from previous requests;
 - Report any program income received since the last request;
 - Spend program income before any NSP funds
 - Submit requests to expend program income.

Initial Property Set-Up

Please fill out this form for each property assisted with NSP funds or NSP program income. Disbursement requests must be submitted using the NSP Disbursement/Expenditure Request. Much of the information needed to fill out this form can be found in the following documents: the Uniform Residential Appraisal Report (URAR), a purchase contract, a property development budget, and Income Eligibility Calculation Worksheets.

Disbursement/Expenditure Request

Please fill out this form for each household and/or unit requesting NSP funds. Subrecipients should have submitted an Initial Property Set-up form for each assisted property, if applicable. This request is for additional NSP funding for set-up properties. Subrecipients must report and use NSP Program Income before requesting additional NSP funds.

This request only reflects the portion of the property budget to be paid by NSP funds. This request does not reflect the portion of the property budget to be paid by other leveraged funds.

NSP Disbursement/Expenditure Request: Administration Costs Only

This form should be used by Subrecipients to request NSP funds for NSP Program Administration. Up to 10 percent of Subrecipient's Program Income may be used for administration expenses. The Uses of NSP Program Income should be consistent with the Subrecipient's Program Income Plan.

The last 10 percent of each Subrecipient's Administrative funds may not be drawn down until all other NSP funds have been expended or Minnesota Housing is satisfied that all NSP activities have been administered in compliance with NSP regulations.

NSP Property Close-Out Form

Instructions: This form reports the following information:

- The final disposition of properties assisted with NSP funds, including buyer information and household characteristics
- Financing mechanisms for buyers and terms;
- The amount of NSP assistance which remains in the property as Value Gap and/or Affordability Gap.
- Subrecipients requesting NSP funds for Buyer-Driven Rehabilitation and Downpayment Assistance ONLY should use this form instead of the initial property set-up form and attach a Disbursement/Expenditure Request for the NSP funds requested under these activities.