Community Homeownership Impact Fund
Request for Funds: Value Gap

Instructions

To request a Value Gap award disbursement, complete all steps below. Reference your Agreement to ensure you request the correct source and amount of funds. All requests must be signed by an authorized signer. All steps must be completed.

Step 1: Administrator Information and Request Authorization Signature
Step 2: Disbursement Instructions
Step 3: Property and Buyer(s)
Step 4: Required Documentation
Step 5: Request for Funds Form and Document Submission

Incomplete or unsigned requests will not be processed. Final disbursements should be requested one month or more prior to Agreement expiration.

Step 1: Administrator Information

Impact Fund Award ID

Administrator (Organization) Name

Administrator Address

Administrator Contact Name **Contact Phone** **Contact Email**

Request Authorization Signature

By signing below, Administrator certifies that this Request for Funds is made in accordance with the Agreement and all funds received will be or have been used in accordance with the Agreement.

Authorized Signer **Date**

Signer Name and Title:

Step 2: Disbursement Instructions

Select one method below:

☐ Electronic Fund Transfer (EFT): On File at Minnesota Housing

☐ Mail Check to Address Below (**Required for Bond Proceeds Loan Funds**):

Address	City	State	Zip

Step 3: Value Gap Disbursement Instructions

Value Gap Workbook. Use the Value Gap Workbook (located on the Impact Fund Partner Portal) to calculate per-unit Value Gap, per-unit maximum allowable disbursements, and whole project Value Gap need.

Submit the completed Workbook with each Request for Funds form. To complete the Value Gap Workbook:

- Include all units in the award, even if you are only requesting funds on a few of the units.
- Use estimates for advancement requests, and actual numbers for reimbursement requests.

Value Gap Request: Request funds **per unit** using one of the three options below. You can request funds for multiple units with one Request for Funds form.

Option 1: Three installments per unit.

- Up to first third (advancement): Requires evidence the project has started.
- Up to second third (advancement): Requires evidence of eligible costs paid equal to or greater than the previous advancement amount.
- Final third (reimbursement): Requires evidence of eligible costs paid equal to or greater than the previous advancements plus the reimbursement amounts, and unit sale to an eligible buyer.

Option 2: Two installments per unit. For the maximum advancement amount, add the FIRST and SECOND advancement amounts in the Workbook.

- Up to combined first and second thirds (advancement): Requires evidence of eligible costs paid in an amount equal to or greater than the first third of the Value Gap.
- Final disbursement (reimbursement): Requires evidence of eligible costs incurred equal to or greater than previous advancement amount plus reimbursement amount, and unit sale to an eligible buyer.

Option 3: Single installment per unit.

- Full reimbursement: Requires evidence of eligible costs incurred equal to or greater than the total Value Gap request amount and evidence of unit sale to an eligible buyer.

Land Acquisition Request: Use this Request for Funds form to request Land Acquisition Funds **per unit** when using the Land Acquisition subsidy on the developer-side (as Value Gap).

- Must be reflected in the Value Gap Workbook.
- Cannot exceed the actual purchase price or appraised value of the land, whichever is less. Land Acquisition funds must be requested per unit and supported by documentation of the appraised value.

Form Instructions

All required fields must be populated.

- If the property address is not known, the unit description, City, and County fields are required.
- Funding Sources: Challenge, Challenge-Indian Set-Aside, Housing Infrastructure Appropriations (HIA), Housing Infrastructure Bond (HIB), Workforce and Affordable Homeownership Development (Workforce).

Requested Installment – Advancement or Reimbursement.

Advancement

- 1st Third: Advancement for first third of the Value Gap amount
- 2nd Third: Advancement for second third of the Value Gap amount
- 1st & 2nd Thirds: Advancement for combined first and second thirds
- LA-Advancement: Advancement for Land Acquisition

Reimbursement

- Final Value Gap: Reimbursement for final Value Gap amount (reserved third)
- Full Value Gap: Reimbursement for total Value Gap amount
- LA-Reimbursement: Reimbursement for Land Acquisition

Value Gap Form

Table 1: Value Gap Advancement or Reimbursement form

Property Address/ Unit Description	**City**	**County**	**Homebuyer Name** (required for final value Gap disbursement)	**Funding Source** (see Agreement)	**Request Installment**	**Request Amount** (See Workbook for maximums)
				Select One	Select One	$
				Select One	Select One	$
				Select One	Select One	$
				Select One	Select One	$
				Select One	Select One	$
				Select One	Select One	$
				Select One	Select One	$
				Select One	Select One	$
				Select One	Select One	$
				Select One	Select One	$
				Select One	Select One	$
				Select One	Select One	$
				Select One	Select One	$
				Select One	Select One	$
				Select One	Select One	$
					Total	**$** 0.00

Step 4: Required Documentation

The following documents are required to support this Request for Funds. Additional documentation may be requested if the submitted materials do not provide sufficient information to process the request.

- Supporting documents must indicate the property address or description, expense description, date and amount.
- If a document includes multiple units, include a breakdown of the amount designated for each unit.

Supporting Documents

All Requests:

- Value Gap Workbook (whole award)
- HIB Only: Certificate of Expenditure of Deferred Loan-Bond Proceeds for the applicable award year
- Land Acquisition Only: Appraisal showing land value
- If Applicable: Change request approval from Minnesota Housing. If a change request is required for the unit to be eligible, do not submit your Request for Funds form unless you have received approval.

Advancement – Submit the following for each unit in this Request for Funds form:

For Value Gap Option 1-Initial Advancement

- Unit Itemized Project Budget; and
- One of the following:
    - Land or Property Purchase Agreement; or
    - Dated Scope of Work; or
    - Sworn Construction Statement or Pay Application; or
    - Invoices

For Value Gap Option 1-Second Advancement or Option 2 First Advancement:

- Unit Itemized Project Budget; and
- One or more of the following to support at least 1/3 of the Value Gap amount:
    - Sworn Construction Statement; or
    - Pay Application; or
    - Invoices

Reimbursement – Submit the following for each unit in this Request for Funds form:

- Household Demographic Forms
- One of the following to support the previous advancement plus reimbursement amounts:
    - Sworn Construction Statement; or
    - Pay Application; or
    - Invoices
- Impact Fund Income Eligibility Worksheet
- Seller Settlement Statement or Closing Disclosure for sale to an eligible buyer
- Appraisal
- CLT Only:
    - Deed showing the property placed in the Community Land Trust
    - Document conveying improvements to eligible buyer
- Land Acquisition Only: Settlement Statement or Closing Disclosure for land purchase

File Naming Convention

Supporting documentation for must be titled with the administrator's name, award number, property address and file type as follows "Homebuilders Building XX-XXXX-XX - 123 Main St - Purchase Agreement."

Step 5: Request for Funds Form and Document Submission

Upload this completed form and supporting documentation using the Single Family Secure File Exchange directed to impact.fund.mhfa@state.mn.us. Incomplete or unsigned requests will not be processed. Complete requests are generally processed within ten business days.

Minnesota Housing Use Only

Total Funds to be disbursed from the following source(s):

Challenge Grant

$ _____

Challenge Indian Set Aside: Grant

$ _____

Housing Infrastructure

$ _____

Housing Infrastructure Bond Proceeds Loan

$ _____

Workforce and Affordable Homeownership Development Grant

$ _____

Approved by

Signature	Date	Print Name
_____	_____	_____