



353 Water Street • P.O. Box 2669 • Augusta, ME 04338-2669

Dwight A. Sewell, *Director*

## SUPPORTIVE HOUSING PROGRAM

### Walk-In Component Program Summary

#### Purpose

To provide below-market interest rate mortgage financing to non-profit sponsors of group living facilities for persons with disabilities.

#### Eligibility

Developers must be non-profit 501(c)(3) corporations registered to do business in Maine, with corporate authority to own and operate housing. Buildings to be developed must provide group or congregate living facilities rather than individual apartments. Eligible activities include purchase, improvement, and new construction. Projects must have a commitment for any necessary operating subsidy funds.

#### Financing

Permanent mortgage financing for up to 100% of project costs at an interest rate based on the current tax-exempt 501(c)(3) bond rate; 20-year term.

#### Underwriting

Credit tests include evidence of a three-year trend of positive cash flow and working capital position; evidence of sufficient start-up capital; good credit history.

Operating budget must provide for 110% debt service coverage; must have firm commitment for operating subsidy from relevant governmental agency.

Maximum mortgage limited to lesser of 100% total development cost or 100% appraised value on basis of "value in use;" MSHA reserves right to reject proposals exceeding 120% of the "out-of-service" value of proposed property.

#### Project Design/Development

Evidence of compliance with applicable codes and laws will be required. Accessibility and Fire Code modifications highly likely.

Any structural or significant modifications will likely require an architect due to State law. General contractor required in most cases; use of professional development consultant strongly encouraged.

## Discrimination and Compliance with Federal Laws

The Maine State Housing Authority (MSHA) does not discriminate on the basis of handicapped status in the admission or access to, or treatment or employment in, its federally assisted programs and activities. MSHA will provide special communication assistance to persons with vision or hearing impairments. MSHA has designated the following persons as responsible for coordinating compliance with the nondiscrimination requirements contained in the Department of Housing and Urban Development's (HUD) regulations implementing Section 504 of the Rehabilitation Act of 1973 (24 C.F.R. Part 8. June 2, 1988):

Karen P. O'Sullivan, Assistant Counsel, and  
Susan D. Crawford, Director of Consumer Affairs  
Maine State Housing Authority  
295 Water Street, Post Office Box 2669  
Augusta, Maine 04338-2669

Telephone Number (207)626-4600 or 1-800-452-4668 (Voice)  
or 1-800-452-4603 (TDD)

Applicants are cautioned to be aware of the potential applicability of provisions of the Maine Human Rights Act and federal Fair Housing legislation and Section 504 to any housing proposed for funding. Procedures for selection of residents, conditions of residency and rules regarding termination may fall within the scope of this legislation, which applies to all providers of housing. Providers must make reasonable accommodations of rules, policies, and procedures, and may be required to allow reasonable structural modifications of buildings to be made, if necessary to allow an individual with disabilities equal access to housing.