



HOME & AHTF Single Family Homebuyer Development Developer Fee Limits

December 28, 2023
HB Public Notice 2023-02

1. Subject: Developer Fee Limits - Increase

Guidance: Kentucky Housing Corporation (KHC) will increase the developer fee on HOME and AHTF **Single Family Homebuyer Development** projects (including demolition/rehabilitation) to \$20,000 or 20 percent of Total Development Cost (\$25,000 or 25 percent for rehabilitation/resale), which will affect any setups, submitted as of January 4, 2024, on HB19, HB20, HB21, HB22, HB23, and HB24 projects

2. Subject: Set-ups

Guidance: All homebuyer development set-ups submitted on or after January 4, 2024, should use the new setup template, which will be available on the HCA Agency Partner Portal on January 4, 2024.

3. Subject: AHTF Recycled Funds

Guidance: As specified on page 15 of the *2024 Single-Family Homebuyer Development Program Policy Manual*, KHC allows developers to carry forward AHTF program income for use as interim construction financing or permanent gap financing (developer or buyer) on subsequent homes developed under an AHTF award (e.g. HB23). Once all homes supported under a grant award are completed and sold, all AHTF program income remaining following the sale of the final AHTF-funded unit created under an award must be returned to KHC. With an approved waiver request, KHC will allow AHTF program income remaining at the conclusion of a grant to be recaptured and carried forward to a new AHTF award. Effective January 4, 2024, carrying forward AHTF program income to a new grant will only be allowable if the funds exceed \$50,000, and a waiver is submitted. Any program income balance under \$50,000 must be returned to KHC.

HB PN 2023-02

Guidance Issued

ADMINISTRATIVE:

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