



Housing Authority Loan Modification/Conversion Criteria

Housing Authority Meeting
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CURRENT

- Loan Modifications for Individual Borrowers:
 - Approved at staff level under Resolution No. 806 Standard General Loan Terms
 - Usually change of term from amortized to deferred

CURRENT

- Loan Modification for Developers/Nonprofits
 - Evaluation Criteria are:
 - Review of financial statements & budget
 - Analysis of debt on property
 - Confirmation of regulatory compliance

PROPOSED

- Loan Modification for Individual Borrowers
 - New Evaluation Criteria:
 - Funding source regulations allows grants
 - Written request from borrower
 - Income requirements
 - Damage to or destruction of collateral

PROPOSED

- Loan Modification for Developers/Nonprofits
 - Add to established criteria:
 - Damage to or destruction of collateral
 - Funding source regulations allow grants

RECOMMENDATION

- It is recommended by the Housing & Community Services Department that the Housing Authority, by resolution, establish guidelines for considering requests for modification or conversion of Housing Authority loans to grants on a case-by-case basis.
- Questions?