

Affordable Housing Insurance Pilot Program (“AHIP”) Application

The program will provide financial assistance to partially reimburse the cost of insurance premiums for projects impacted by unexpected significant insurance premium increases not caused by the negligence or neglect of the project’s owner or management. AHIP does not provide an insurance product or assume any financial risk on the part of New Jersey Housing and Mortgage Finance Agency (NJHMFA/Agency). All responsibilities of the insured—deductibles, rate share changes, etc.—remain exclusively with the project. The final decision regarding selection of the insurance carriers and insurance coverages is the sole responsibility of the project.

An applicant entity must meet the definitions set forth by P.L. 2024, c.4, which means that the organization must be a corporation, partnership, or other organization in receipt of an allocation from the federal Low-Income Housing Tax Credit Program. The applicant entity must not be in default or noncompliant on any projects financed by the Agency or within the Agency’s oversight. The *application checklist* will identify whether the organization meets the requirements as noted. HMFA staff will evaluate the application and may contact Applicants for clarification at any point during the application process.

| | | | |
|---|----|--|--|
| HMFA #: | | | |
| PROJECT NAME: | | | |
| NUMBER OF AFFORDABLE UNITS: | | | |
| AMOUNT OF AHIP ASSISTANCE REQUESTED: | \$ | | |
| Date: | | | |
| Applicant: | | | |
| Physical Address: | | | |
| City, State, ZIP: | | | |



Check if mailing address is same as above

| | | | |
|--|--|--|--|
| Mailing Address: | | | |
| City, State, ZIP: | | | |
| Website: | | | |
| Email Address and Telephone Number: | | | |
| Applicant Point of Contact Name and Title: | | | |

SECTION I.

Please provide a detailed statement for each of the items listed below with supporting documentation.

Projects must be multifamily rental housing with 100 percent of units deed-restricted to be “very low-income housing,” “low-income housing,” or “moderate-income housing,” as defined in section 5 of P.L. 1985, c.222 (C.52:27D-304), and meet the criteria of one of options 1, 2 or 3 below:

| | |
|-----------|--|
| <p>1.</p> | <p>Is this a project receiving tax-exempt financing from the Agency Revenue Bond Financing program that received a certificate of occupancy (“CO”) or temporary certificate of occupancy (“TCO”) within the 5 years preceding this AHIP application?</p> <p style="text-align: center;">_____ Yes _____ No</p> <ul style="list-style-type: none">• Projects that have utilized the Agency’s conduit bond financing program or any tax credit program administered by the New Jersey Economic Development Authority are not eligible for the AHIP program. |
| <p>2.</p> | <p>Is this an existing residential development currently in the Agency portfolio in good standing?</p> <p style="text-align: center;">_____ Yes _____ No</p> <ul style="list-style-type: none">• This shall mean a project monitored by the Division of Asset Management that is not in violation of any of the terms of the regulatory agreement. |
| <p>3.</p> | <p>Is this a residential development in receipt of supplemental Agency financing from the Capital Improvement Assistance Program (“CIAP”) for rehabilitation or disaster recovery?</p> <p style="text-align: center;">_____ Yes _____ No</p> |

If you answered Yes to 1, 2, or 3, proceed to the next section.

NOTE: ENSURE YOUR ELIGIBILITY BEFORE PROCEEDING AS THE APPLICATION FEE OF \$1,000 IS NON-REFUNDABLE.

Application Fees are to be sent:

>>>> If by check make payable to: NJHMFA / AHIP
PO Box 18550
Trenton, NJ 08650
Checks to include HMFA# and Property Name

>>>> If by wire: Please email AHIP@njhmf.gov to obtain wiring instructions.

SECTION II.

| | |
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| Insurance products must satisfy the following criteria: | |
| 1. | Have premiums that increased by at least 50 percent, for the same insurance products, over a 24-month period within the immediate five years preceding application to AHIP; _____ Yes _____ No |
| 2. | With the exception of projects eligible due to receipt of CIAP, comply with NJHMFA'S Insurance Specifications & Minimum Requirements for Multifamily Residential Properties; and _____ Yes _____ No _____ N/A, project receives CIAP |
| 3. | Be project-specific (i.e., exclusive to this property, not associated with any other locations.) _____ Yes _____ No |
| If you answer Yes to 1, Yes or N/A to 2, and Yes to 3, proceed to the next section. | |

SECTION III.

Applicants shall submit a complete application to the Division of Risk Management/Special Programs Administration ("Risk Management" or "the Division"). A complete application shall include:

DOCUMENT CHECKLIST

- The non-refundable application fee of \$1,000
- Evidence of applicant eligibility pursuant to Section III above;
- Evidence of project eligibility pursuant to Section I above;
- Copies of the executed UNIAP submitted when the project applied for Agency financing, the Board-approved Request for Action from when the Agency committed financing to the project, and the closing statement and Form 10 from when Agency financing closed;
- An outline detailing the marketing efforts undertaken by the property management company, owner, or insurance broker, including the carriers approached and results achieved, demonstrating the project is actively pursuing the best insurance products and rates for their property;
- Copies of the resulting insurance policies for the eligible project, as well as the loss run/claim history for the 24-month period over which premiums increased;

To ensure that potential availability of AHIP funding did not affect negotiation of policy rates, proof that the current insurance policies were identified, quoted, and accepted prior to seeking AHIP funding

ACORD 25 and ACORD 28 or copies of previous insurance policies for the eligible project, evidencing that:

- a. The insurance products remained the same during a 24-month period within the immediate five years preceding application and to the present;
- b. Premiums increased by 50 percent or more during a 24-month period within the immediate five years preceding application; and
- c. For non-CIAP projects, that the insurance products comply with the Agency's Insurance Specifications & Minimum Requirements for Multifamily Residential Properties;

Any supplemental information, documentation, or clarifications requested by Risk Management, if the Division deems the application to be incomplete.

Description: _____

SECTION IV.

CERTIFICATION

I understand that my application will not be reviewed without submitting the non-refundable \$1,000 application fee.

In signing this document, I (we) (undersigned), certify that all information is accurate and true. I (we) acknowledge that New Jersey Housing and Mortgage Finance Agency is relying on said information, and thereby acknowledge that I (we) are under a continuing obligation to notify NJHMFA in writing of any changes to the information in the application. I (we) understand that any failure to provide relevant information or any submission of incorrect information may result in NJHMFA's refusal to award AHIP financial assistance to the project and/or possible barring from AHIP.

SIGNATURE

DATE