



Predevelopment Loan Program

The Predevelopment Loan Program (PLP) provides technical assistance and below market interest rate financing for predevelopment activities to eligible organizations which must be not-for-profit or community based organizations, local governments, or public housing authorities.

PLP funds must be used by an eligible organization in the development of affordable housing. Specifically, rental developments must set aside 20% of units for persons earning 50% or below the Area Median Income (AMI). Homeownership developments must set aside 50% of units for persons earning 80% or below the AMI and the remaining units for persons earning up to 120% AMI.

The Loan

Eligible organizations may apply for a loan of up to \$500,000 without site acquisition, or \$750,000 with site acquisition. The loan carries a non-amortizing 1% interest rate, with principal and interest deferred until maturity. The loan is due upon the closing of construction or permanent financing or three years after the PLP loan closed, whichever occurs first.

PLP Eligible Activities

• Rezoning	• Title searches	• Legal fees	• Impact fees	• Administrative costs
• Soil tests	• Appraisals	• Audit fees	• Insurance fees	• Marketing expenses
• Engineering	• Feasibility analysis	• Earnest money	• Commitment fees	• Acquisition expenses

The Process

Florida Housing staff reviews each Application for threshold requirements. Once the Application is approved (\$100 non-refundable fee required), the program continues as follows:

1. Once the Application has met threshold requirements, the Applicant receives an “Invitation to Participate” in the PLP program (\$600 commitment fee required).
2. Florida Housing assigns a Technical Assistance Provider (TAP) to work with the Applicant.
3. The Applicant and TAP prepare a Development Plan outlining the Applicant’s strategies for securing construction and permanent financing (up to six months are allowed to complete the development Plan).
4. The Development Plan is reviewed by staff and the loan request is submitted to the Board of the Florida Housing Finance Corporation for approval.
5. Once the Board approves the loan, the Applicant submits a second \$600 commitment fee, after which the loan is closed and the Applicant can begin drawing funds from the loan to cover eligible activities.
6. If the Applicant is successful in obtaining construction or permanent financing, the PLP loan is due upon closing of that loan. The Applicant will receive a credit for the \$1200 paid in commitment fees.

For more information on PLP, please call (850) 488-4197 or visit us online at www.floridahousing.org.