

GLOSSARY

202 (Section 202 FHA) program helps expand the supply of affordable housing with supportive services for the elderly. It provides very low-income elderly with options that allow them to live independently but in an environment that provides support activities such as cleaning, cooking, transportation, etc.

203(b) FHA program which provides mortgage insurance to protect lenders from default; used to finance the purchase of new or existing one- to four family housing; characterized by low down payment, flexible qualifying guidelines, limited fees, and a limit on maximum loan amount.

203(k) FHA mortgage insurance program enables homebuyers to finance both the purchase of a house and the cost of its rehabilitation through a single mortgage loan.



ADA — American with Disabilities Act A 1990 federal law that forbids discrimination against persons who are disabled.

Adaptive reuse: Adaptive reuse, or re-use, is a process that adapts buildings for new uses while retaining their historic features. An old factory may become an apartment building. A rundown church may find new life as a restaurant

Affordable Housing: Housing for which the occupant is paying no more than 30 percent of his or her income for gross housing costs, including utilities. Area median income: Median family income established annually by the U.S. Department of Housing and Urban Development (HUD).

AHAB — Miami Dade County Affordable Housing Advisory Board. AHAB functions as the County's affordable housing advisory committee and consists of fifteen (15) members who act without compensation and serve as appointees of the Board of County Commissioners (13), the Mayor (1) and the Overall Tenant Advisory Council (1).

Amenity: a feature of the home or property that serves as a benefit to the buyer but that is not necessary to its use; may be natural (like location, Woods, water) or man-made (like a swimming pool or garden).

Amortization: repayment of a mortgage loan through monthly installments of principal and interest; the monthly payment amount is based on a schedule that will allow you to own your home at the end of a specific time period (for example, 15 or 30 years)

APR — Annual Percentage Rate: calculated by using a standard formula, the APR shows the cost of a loan; expressed as a yearly interest rate, it includes the interest, points, mortgage insurance, and other fees associated with the loan.

A/O Contract: Architect/Owner Contract under the Program guidelines and procedures.

Applicant: "Applicant" means a person or legal entity who proposes to carry out a project.

Appraisal: a document that gives an estimate of a property's fair market value; an appraisal is generally required by a lender before loan approval to ensure that the mortgage loan amount is not more than the value of the property.

Appraiser: a qualified individual who uses his or her experience and knowledge to prepare the appraisal estimate.

Architect: is a professional person who is involved in the planning, and design. In the broadest sense an architect is a person who translates a user's requirements into a built environment.

ARM — Adjustable Rate Mortgage a mortgage loan subject to changes in interest rates; when rates change, ARM monthly payments increase or decrease at intervals determined by the lender; the change in monthly -payment amount, however, is usually subject to a cap.

Assessor: a government official who is responsible for determining the value of a property for the purpose of taxation.

Assisted Housing: Assisted Housing – Generally housing that is subsidized, such as public housing and Section 8 (both tenant-based and project-based). Also includes other federal programs for seniors, such as Section 202, and for the disabled, Section 811. May include housing where the rent is reduced for low-income families, such as Low-Income Housing Tax Credits.

ALF — Assisted Living Facility: Any type of property that also provides supportive services such as health care, meals and a wide variety of other services. Generally cost significantly more than other properties of the same type due to the level of care and service provided.

B

Balloon Mortgage: a mortgage that typically offers low rates for an initial period of time (usually 5, 7, or 10) years; after that time period elapses, the remaining balance is due or is refinanced by the borrower.

Bankruptcy: a federal law whereby a person's assets are turned over to a trustee and used to pay off outstanding debts; this usually occurs when someone owes more than they have the ability to repay.

Basis Point: A measure of interest rate equal to 0.01% (or .0001). Basis Points are typically used to describe the difference between two interest rate indices or to express the changes in any one index from one point in time to another.

BCC: — Miami-Dade Board of County Commissioners.

Borrower: a person who has been approved to receive a loan and is then obligated to repay it.

Brownfields: Vacant or underutilized industrial and commercial properties that are environmentally contaminated or perceived to be contaminated.

BRI — Brownfields Redevelopment Initiative: Interagency initiative addressing financial and legal risks of Brownfield clean up and redevelopment.

Building code: based on agreed upon safety standards within a specific area, a building code is a regulation that determines the design, construction, and materials used in building.

Budget: a detailed record of all income earned and spent for a project during a specific period of time.

C

CAC (Community Advisory Committees): A local committee made up of interested residents who represent the community interest and provide valuable input to the county concerning issues for the enhancement of the community.

Cap: a limit, such as that placed on an adjustable rate mortgage, on how much a monthly payment or interest rate can increase or decrease.

CAPER — Consolidated Annual Performance and Evaluation Report: status report on the grantee's (Miami-Dade County) efforts toward implementing US HUD's outcome performance measurement system requirements.

Cash reserves: a cash amount sometimes required to be held in reserve in addition to the down payment and closing costs; the amount is determined by the lender.

CBO — Community Based Organization): Nonprofit, non-governmental agency designed to work on a community-based project, need, or problem.

CDBG — Community Development Block Grant: In this program US HUD directly provides annual grants on a formula basis to entitled communities to carry out a wide range of community development activities directed toward neighborhood revitalization, economic development, and improved community facilities and services.

CDBG DRA — CDBG Disaster Recovery Assistance: In response to disasters, Congress may appropriate additional funding for the CDBG and HOME programs as Disaster Recovery grants to rebuild the affected areas and provide crucial seed money to start the recovery process.

CDBG DRI — Disaster Recovery Initiative – Disaster funding for States, Territories, metropolitan cities and urban counties, and Indian tribes. These grantees are in turn authorized to reallocate funds to either government or nonprofit agencies that may deliver services directly.

CDBG (Entitlement): In this program HUD directly provides annual CDBG allocations on a formula basis to entitled communities to carry out a wide range of community development activities directed toward neighborhood revitalization, economic development, and improved community facilities and services.

CDBG (Small Cities): In this program, HUD directly provides annual CDBG funds on a formula basis to States, which then administer the funding and act as a partner with the Federal Government.

CDBG (State Administered): States participating in the CDBG Program award grants only to units of general local government that carry out development activities. Annually each State develops funding priorities and criteria for selecting projects.

CDC — Community Development Corporation: community based organizations that are committed to enhancing community well-being and facilitate or financially support revenue-generating business for the purpose of community and economic development.

CDFI — Community Development Financial Institution: - Community Development Banking and Financial Institutions Act of 1994, organizations which lend and invest in deprived areas and markets who cannot access mainstream finances, including social enterprises.

CDRLF — Community Development Revolving Loan Funds: -- low-cost funds for a variety of financial working capital needs for a business that has the financial capacity to repay the loan. The purpose of the program is designed to create jobs while meet the particular community needs of the low and moderate income community served.

CEDD: Community Economic Development Division.

CHDO — Community Housing Development Organization: A federally defined type of nonprofit housing provider that must receive a minimum of 15 percent of all Federal HOME funds from a Participating Jurisdictions award. The primary difference between CHDO and other nonprofits is the level of low-income resident participation on the Board of Directors.

Census Block Group: A census block group (BG) is a cluster of census blocks having the same first digit of their four-digit identifying numbers within a census tract.

Census Tracts: Census tracts are small, relatively permanent statistical subdivisions of a county.

Certification: a written assertion, based on supporting evidence, that must be kept available for inspection by HUD, by the Inspector General of HUD and by the public. The assertion shall be deemed to be accurate unless HUD determines otherwise, after inspecting the evidence and providing due notice and opportunity for comment.

Certificate of title: a document provided by a qualified source (such as a title company) that shows the property legally belongs to the current owner; before the title is transferred at closing, it should be clear and free of all liens or other claims.

Charrette: collaborative session in which a group of designers drafts a solution to a design problem. While the structure of a charrette varies, depending on the design problem and the individuals in the group, charrettes often take place in multiple sessions in which the group divides into sub-groups. Each sub-group then presents its work to the full group as material for future dialogue. Such charrettes serve as a way of quickly generating a design solution while integrating the aptitudes and interests of a diverse group of people.

Chronically Homeless Person: an unaccompanied homeless individual with a disabling condition who has been continuously homeless for a year or more, or has had at least four episodes of homelessness in the past three years. To be considered chronically homeless, a person must have been sleeping in a place not meant for human habitation (e.g., living on the streets) and/or in an emergency shelter during that time.

CIIC — Community and Individual Investment Corporation: For-profit corporation capitalized in part by Economic Development Initiative and Section 108 funds that invests in economic development activities in an identified service area where at least 51 percent of the residents are low- and moderate-income people and which offers residents the opportunity to purchase and own shares in the corporation.

Closing: also known as settlement, this is the time at which the property is formally sold and transferred from the seller to the buyer; it is at this time that the borrower takes on the loan obligation, pays all closing costs, and receives title from the seller.

Closing costs: customary costs above and beyond the sale price of the property that must be paid to cover the transfer of ownership at closing; these costs generally vary by geographic location and are typically detailed to the borrower after submission of a loan application.

C/O Contract: Contract/Owner Contract under the program guidelines and procedures.

C/O Certificate of Occupancy Written authorization given by a local municipality that allows a newly completed or substantially completed structure to be inhabited stating that the property meets the requirements of local codes, ordinances and regulations.

CO — Contract Officer

Code: Miami-Dade County and Municipality's current Building Code.

Commercial/Industrial Center/District: contain a concentration of business, civic and cultural activities, creating conditions that facilitate interaction and exchange.

Commission: an amount, usually a percentage of the property sales price, that is collected by a real estate professional as a fee for negotiating the transaction.

Commercial building: means any building other than a residential building, including any building constructed for industrial or public for profit purposes.

Commitment: As used in the HOME Program, commitment means one of three things. #1) The participating jurisdiction has: executed a legally binding agreement with a State recipient, sub recipient, or contractor to use a specific amount of HOME funds; #2) or executed a written agreement reserving a specific amount of funds for a CHDO; #3) met requirements to commit to a specific local project as defined below. HUD recognizes a commitment when the project is set up in the Integrated Disbursement and Information System (IDIS).

Commitment Letter: A formal offer by a lender to lend money to a borrower under specified terms.

Community Renewal: Renewal Communities/Empowerment Zones/Enterprise Communities (RC/EZ/EC) federally designated localities that provide for tax incentives by combining efforts to create economic opportunity, sustainable community development, community-based partnerships, and a strategic vision for change.

Condominium: a form of ownership in which individuals purchase and own a unit of housing in a multi-unit complex; the owner also shares financial responsibility for common areas.

Consultant: Architect, engineer or surveyor performing contracted services for the Project, under Owner's responsibility.

Contractor: Contractors and/or subcontractors performing contracted construction work for the Project, under Owner's responsibility.

Continuum of Care: Policies designed to address the critical problem of homelessness that includes a coordinated community-based process of identifying needs and building a system to address those needs.

Conventional loan: a private sector loan, one that is not guaranteed or insured by the U.S. government.

Co-op — Cooperative: residents purchase stock in a cooperative corporation that owns a structure; each stockholder is then entitled to live in a specific unit of the structure and is responsible for paying a portion of the loan.

Consortium: an organization of geographically contiguous units of general local government that are acting as a single unit of general local government for purposes of the HOME program.

Cost-burdened: the extent to which gross housing costs, including utility costs, exceed 30% of gross income, based on data available from the U.S. Census Bureau.

CP Consolidated Plan: is designed to be a collaborative process whereby a community establishes a unified vision for the community. A document written by a State or local government describing the community development, economic development and housing needs of the low- and moderate-income residents, outlining strategies to meet the needs and listing all resources available to implement the strategies.

CPP — Citizen Participation Plan - A plan that must be developed by all PJs to describe and document efforts that will be undertaken to provide for and encourage citizens to participate in the development of the Consolidated Plan

Community Redevelopment Agency - Section 163.356(1), Florida Statutes, authorizes the creation of a community redevelopment agency in a county or municipality to carry out the community redevelopment purposes of Part III, Chapter 163, Florida Statutes. Each community redevelopment agency is created as a public body corporate and politic, constituted as a public instrumentality whose exercise of powers conferred by the statute is deemed to be the performance of an essential public function.

CRA — Community Reinvestment Act. A 1977 law that requires banks and savings and loan institutions to take affirmative steps to help meet the credit needs of the communities they are chartered to serve, especially low- and moderate-income communities.

Credit bureau score: a number representing the possibility a borrower may default; it is based upon credit history and is used to determine ability to qualify for a mortgage loan. FICO score is another name for credit score. Often, the FICO score is called the Beacon credit score. This is because one of the largest consumer credit agencies, Equifax, has been marketing the FICO scoring algorithm under the name of BEACON.

Credit history: history of an individual's debt payment; lenders use this information to gauge a potential borrower's ability to repay a loan.

Credit report: a record that lists all past and present debts and the timeliness of their repayment; it documents an individual's credit history.

CRP Commercial Revitalization Program: a county program designed to improve the physical and economic condition of commercial for profit businesses in low and moderate-income neighborhoods. The program makes available grants up to a maximum of \$100,000 to qualified owners and merchants to rehabilitate the exterior of their commercial buildings.

CWCAC — County-Wide Citizen Advisory Committee: An advisory committee is established to provide input into the planning process for the economic development and housing efforts of OCED. The County-Wide Citizen Advisory Committee (CWCAC) is comprised on 24 members (the 3 board members from each existing NRSA).

D

Davis-Bacon Wage Determinations: are issued by the U.S. Department of Labor under the Davis-Bacon and related Acts determines prevailing wage rates to be paid on federally funded or assisted construction projects.

DE — Direct Endorsement: Program permitting lender processed and endorsed FHA mortgages.

DSC — Debt Service Coverage: The margin of safety for payment of debt service; reflecting an estimate of an ability to cover debt obligations with free cash flow. This ratio is defined as: Cash Flow Available to Service Debt/Debt Service. The higher the number, the greater the ability to make debt payments from cash flow.

Debt-to-income ratio: a comparison of gross income to housing and non-housing expenses; With the FHA, the-monthly mortgage payment should be no more than 29% of monthly gross income (before taxes) and the mortgage payment combined with non-housing debts should not exceed 41% of income.

Deed: the document that transfers ownership of a property.

Deed-in-lieu: to avoid foreclosure ("in lieu" of foreclosure), a deed is given to the lender to fulfill the obligation to repay the debt; this process doesn't allow the borrower to remain in the house but helps avoid the costs, time, and effort associated with foreclosure.

Default: the inability to pay monthly mortgage payments in a timely manner or to otherwise meet the mortgage terms.

Delinquency: failure of a borrower to make timely mortgage payments under a loan agreement.

Developer: A legal entity who develops real estate, especially by preparing a site for residential or commercial use

Disability: According to the U.S. Department of Housing and Urban Development, a person shall be considered to have a disability if the person is determined to have a physical, mental, or emotional impairment.

Disabling Condition: for the purposes of chronic homelessness, a disabling condition is a diagnosable substance use disorder, serious mental illness, development disability, or chronic physical illness or disability, including the co-occurrence of two or more of these conditions.

Discount point: normally paid at closing and generally calculated to be equivalent to 1% of the total loan amount, discount points are paid to reduce the interest rate on a loan.

Documentary Surtax Program discretionary surtax on documents; certain counties operating under a home rule charter to levy the discretionary surtax for purposes of establishing and funding a Housing Assistance Loan Trust Fund to assist in providing housing for low-income and moderate-income families.

Down payment: the portion of a home's purchase price that is paid in cash and is not part of the mortgage loan.

Down Payment Assistance: Funds which are provided by the Issuer or another third party which can be used to offset a portion of the borrower's down payment.

DUNS NUMBER: The Data Universal Numbering System (DUNS) number required for every applicant to apply for a grant with the federal government. The DUNS number is a unique nine-character identification number provided (at no charge) by the commercial company, Dun & Bradstreet

E

Earnest money: money put down by a potential buyer to show that he or she is serious about purchasing the home; it becomes part of the down payment if the offer is accepted, is returned if the offer is rejected, or is forfeited if the buyer pulls out of the deal.

EBG — Eligible Block Groups: Block groups whose with population is more than 50% low to moderate income.

EEM -- Energy Efficient Mortgage; an FHA program that helps homebuyers save money on utility bills by enabling them to finance the cost of adding energy efficiency features to a new or existing home as part of the home purchase.

ELI — Extremely Low Income: Family whose income is between 0 and 30% of the median income for the area, as determined by HUD.

Empowerment Zone: The term *empowerment zone* means an area designated as an empowerment zone by the Secretary of the Department of Housing and Urban Development or the Secretary of the Department of Agriculture.

Energy star: A voluntary labeling program of the US Environmental Agency (EPA) & the US Department of Energy that identifies energy efficient products.

Engineer: someone who is trained or professionally engaged in a branch of engineering. Engineers use technology, mathematics, and scientific knowledge to solve practical problems.

Enterprise Zone: An impoverished area in which businesses are exempt from certain taxes and are given other economic advantages such as tax credit as an inducement to locate there and employ residents.

Entitlement public entity: means a metropolitan city or an urban county receiving federal CDBG funds. program in Miami-Dade County the entitlements are: City of Miami, Miami Beach, Hialeah, North Miami, Miami Gardens, Homestead, and Florida City.

Equity: an owner's financial interest in a property/project; calculated by subtracting the amount still owed on the mortgage from the fair market value of the property.

Equity Gap: The Equity Gap is the difference between the Total Project Costs and the total funding sources available for a Project.. The Equity Gap is used as part of the calculation to determine the maximum amount of Credit that a Project is eligible to receive.

ESA — Environmental Site Assessment: The analysis, often called a Phase I ESA, typically addresses both the underlying land as well as physical improvements to the property; however, techniques applied in a Phase I ESA never include actual collection of physical samples or chemical analyses of any kind.

Escrow account: a separate account into which the lender puts a portion of each monthly mortgage payment; an escrow account provides the funds needed for such expenses as property taxes, homeowners insurance, mortgage insurance, etc.

ESG — Emergency Shelter Grant: A Federal grant program designed to help improve the quality of existing emergency shelters for the homeless, to make available additional shelters, to meet the costs of operating shelters, to provide essential social services to homeless individuals, and to help pre-vent homelessness.

Extremely cost-burdened: A household that spends more than 50% of their income on housing costs.

F

Fair Housing Act: The Fair Housing Act makes it illegal to deny housing, refuse to rent, sell, or negotiate, or offer different terms and considerations because of race, color, religion, sex, national origin, handicap, or familial status. If you suspect violation of the Fair Housing Act or want more information, call (800) 669-9777 or write to: Office of Fair Housing and Equal Opportunity Department of Housing and Urban Development, Room 5204, 451 Seventh St. SW, Washington, DC 20410-2000.

FBO — faith-based organizations: a religious congregation (church, mosque, synagogue, or temple) a nonprofit organization founded by a religious congregation or religiously-motivated

incorporators and board members that clearly states in its name, incorporation, or mission statement that it is a religiously motivated institution.

FHIP — Fair Housing Initiatives Program: Program to assist state/local government, community groups and housing resource boards to combat housing discrimination.

Family: a household composed of two or more related persons. The term family also includes one or more eligible persons living with another person or persons who are determined to be important to their care or well being, and the surviving member or members of any family described in this definition.

Family Unification Voucher Program: provides rental assistance on behalf of low-income families for whom lack of adequate housing is a primary factor in the threat of imminent separation from their children. MDHA coordinates this program with the State of Florida Department of Children and Family Services.

FSS: Family Self Sufficiency: This program was designed to assist Section 8 and public housing residents reach and maintain economic independence through job training, education, and employment.

FMR — Fair market value: HUD's estimate of the actual market rent for a modest apartment in the conventional market.

FNM Fannie Mae: Federal National Mortgage Association: a federally-chartered enterprise owned by private stockholders that purchases residential mortgages and converts them into securities for sale to investors; by purchasing mortgages, Fannie Mae supplies funds that lenders may loan to potential homebuyers.

FHA: Federal Housing Administration; established in 1934 to advance homeownership opportunities for all Americans; assists homebuyers by providing mortgage insurance to lenders to cover most losses that may occur when a borrower defaults; this encourages lenders to make loans to borrowers who might not qualify for conventional mortgages.

Florida Housing 2009 Universal Application: Applicants interested in applying for funding for the construction or rehabilitation of affordable rental housing through the following programs can do so through the Universal Application Cycle: HOME Investment Partnerships Program; Housing Credits; Multifamily Mortgage Revenue Bonds; State Apartment Incentive Loan Program

First-Time Home Buyer: A first-time homebuyer is an individual or family that has not owned or had ownership interest in any residence during the last three years preceding closing. An exception to this requirement exists only if the home to be purchased is located in targeted areas.

Fixed-rate mortgage: a mortgage with payments that remain the same throughout the life of the loan because the interest rate are fixed and do not change.

Flood insurance: insurance that protects homeowners against losses from a flood; if a home is located in a flood plain; the lender will require flood insurance before approving a loan.

FONSI — Finding of No Significant Impact: US HUD Environmental Assessment finding that a project will not significantly affect the quality of human life.

Foreclosure: a legal process in which mortgaged property is sold to pay the loan of the defaulting borrower.

FTE — full-time equivalent: Economic Development unit of performance base measurement full-time equivalent (employee) (2080 hours of paid employment)

FY: Fiscal Year



GA — General Assistance: provides people with money and limited medical care to help take care of themselves when they do not qualify for other cash programs administered by the Department of Human Services (DHS).

General contractor: The prime contractor who contracts for the construction of an entire building or project, rather than just a portion of the work. ...

GNMA — Ginnie Mae: Government National Mortgage Association: a government-owned corporation overseen by the U.S. Department of Housing and Urban Development, Ginnie Mae pools FHA-insured and VA-guaranteed loans to back securities for private investment; as With Fannie Mae and Freddie Mac, the investment income provides funding that may then be lent to eligible borrowers by lenders.

GFE — Good faith estimate: an estimate of all closing fees including pre-paid and escrow items as well as lender charges; must be given to the borrower within three days after submission of a loan application.

Green Building: environmentally friendly construction products in a sensible way and creates a healthy place to live or work. A residence or commercial structure built so that it promotes energy conservation, uses.

H

HDLAD — Housing Development and Loan Administration Division: A division of OCED that is responsible for Surtax home ownership assistance loans by providing first and second mortgages which assist eligible families in purchasing a home. DLAD works with private developers and community development corporations who facilitate construction and development of affordable homes.

HELP: Homebuyer Education Learning Program; an educational program from the FHA that counsels people about the home buying process; HELP covers topics like budgeting, finding a home, getting a loan, and home maintenance; in most cases, completion of the program may entitle the homebuyer to a reduced initial FHA mortgage insurance premium—from 2.25% to 1.75% of the home purchase price.

HFA: Housing Finance Authority: County agency which originates second mortgage assistance programs funded by both SHIP and Surtax funds for new homebuyers and issues bonds.

Historic Preservation: is the act of maintaining and repairing existing historic materials and the retention of a property's form as it has evolved over time.

HOME — HOME Investment Partnerships Program helps to expand the supply of decent, affordable housing for low and very low- income families by providing grants to States and local governments called participating jurisdictions (PJ). PJs use their HOME grants to fund housing programs which meet local needs and priorities. PJs have a great deal of flexibility in designing their local HOME programs within the guidelines established by the HOME program statute and Final Rule. PJs may use HOME funds to help renters, new homebuyers or existing homeowners.

HOME-Assisted Units: Units within a HOME project for which rent, occupancy, and/or long-term affordability restrictions apply. The number of units designated as HOME-assisted affects the maximum HOME subsidies that may be provided to a project.

Home inspection: an examination of the structure and mechanical systems to determine a home's safety; makes the potential homebuyer aware of any repairs that may be needed.

Homeless Family with Children: a family composed of the following types of homeless persons: at least one parent or guardian and one child under the age of 18; a pregnant woman; or a person in the process of securing legal custody of a person under the age 18.

Homeless Person: a youth (17 years or younger) not accompanied by an adult (18 years or older) or an adult without children, who is homeless (not imprisoned or otherwise detained pursuant to an Act of Congress or State law). An individual who lacks a fixed, regular and adequate nighttime residence.

Homeless prevention: means activities or programs designed to prevent the incidence of homelessness, including (but not limited to): Short-term subsidies to defray rent and utility arrearages for families that have received eviction or utility termination notices; Security deposits or first month's rent to permit a homeless family to move into its own apartment; Mediation programs for landlord-tenant disputes; Legal services programs for the representation of indigent tenants in eviction proceedings; Payments to prevent foreclosure on a home; and other innovative programs and activities designed to prevent the incidence of homelessness.

Homeless Subpopulation: include but are not limited to the following categories of homeless persons: severely mentally ill only, alcohol/drug addicted only, severely mentally ill and alcohol/drug addicted, fleeing domestic violence, youth and persons with HIV/AIDS.

Home warranty: offers protection for mechanical systems and attached appliances against unexpected repairs not covered by homeowner's insurance; coverage extends over a specific time period and does not cover the home's structure.

Homeowner's insurance: An insurance policy that combines liability coverage for a homeowner with hazard insurance to protect the home from wind, fire, vandalism, and other hazards.

HOPE VI — Housing Opportunities for People Everywhere Through the HOPE VI program, HUD provides grants to eligible applicants for the demolition, construction, and rehabilitation of public housing; development of replacement housing; and community and supportive services that provide public housing residents with resources to support their progress toward sufficiency.

Housing inventory/Supply: The total number of housing units available at any given time.

Housing Rehabilitation Program: The Housing Rehabilitation Program provides a mechanism for property owners to bring their properties into compliance with local codes and provide safe, decent housing to lower income individuals.

HOPWA — Housing Opportunities for Persons With AIDS: The HOPWA program provides housing assistance and supportive services for low-income people with HIV/AIDS and their families. Grants are provided by selection through a national competition of projects proposed by State and local governments and nonprofit organizations. Administered by the City of Miami for Miami-Dade County.

HQS: Housing quality standards -- housing quality standards (HQS) which all units must meet before assistance can be paid on behalf of a family and at least annually throughout the term of the assisted tenancy. HQS defines "standard housing" and establishes the minimum criteria necessary for the health and safety of program participants.

HRP — Homeownership Rehabilitation Program: operated by the Redevelopment Authority (RDA), provides developers with a subsidy for the rehabilitation of vacant houses to be sold to eligible homebuyers.

HTF — Housing Trust Fund: provides funding to eligible applicants to construct low-income housing, to rehabilitate vacant or under-utilized residential property (or portions of a property), or to convert vacant non-residential property to residential use for occupancy by low-income homesteaders, tenants, tenant-cooperators or condominium owners.

Housing counseling agency: provides counseling and assistance to individuals on a variety of issues, including loan default, fair housing, and home buying.

HUD — U.S. Department of Housing and Urban Development is the nation's housing agency committed to increasing homeownership, particularly among minorities; creating affordable housing opportunities for low-income Americans; and supporting the homeless, elderly, people with disabilities and people living with AIDS. The Department also promotes economic and community development and enforces the nation's fair housing laws. More information about HUD and its programs is available on the Internet at www.hud.gov and espanol.hud.gov.

HUD1 Statement: also known as the "settlement sheet," it itemizes all closing costs; must be given to the borrower at or before closing.

HUD Environmental: Required when Federal CDBG/Home funds are planned to be spent on a project. The analysis, often called a Phase I ESA, typically addresses both the underlying land as well as physical improvements to the property; however, techniques applied in a Phase I ESA never include actual collection of physical samples or chemical analyses of any kind.

HVAC: Heating, Ventilation and Air Conditioning; a home's heating and cooling system.

I

IDIS — Integrated Disbursement and Information System: IDIS is the draw down and reporting system for the four CPD formula grant programs: CDBG, HOME, ESG, and HOPWA.

Income Based: Rent Income Based Rent is adjusted based on median income, age, disability or other tenant factors.

Inclusionary zoning: also known as inclusionary housing, refers to city or county planning ordinances that require a given share of new construction be affordable to people with low to moderate incomes.

Index: a measurement used by lenders to determine changes to the Interest rate charged on an adjustable rate mortgage.

Infill housing: is the insertion of additional housing units into an already approved subdivision or neighborhood. These can be in the form of additional units built on the same lot, by dividing existing homes into multiple units, or by creating new residential lots by further subdivision or lot line adjustments.

Infill Housing Initiative: The Infill Housing Initiative is an innovative affordable housing program administered by the County's Department of General Services Administration through its Infill Housing Program (the "Program"). The purpose of the Infill Housing Initiative is to increase the availability of affordable homes for low and moderate income families.

Infrastructure: The basic facilities, services, and installations needed for the functioning of a community or society, such as transportation and communications systems, water and power lines, and public institutions including schools, post offices, and prisons.

Interest: a fee charged for the use of money.

Interest rate: the amount of interest charged on a monthly loan payment; usually expressed as a percentage.

Insurance: protection against a specific loss over a period of time that is secured by the payment of a regularly scheduled premium.

J

Judgment: a legal decision; when requiring debt repayment, a judgment may include a property lien that secures the creditor's claim by providing a collateral source.

Jurisdiction: a state or unit of general local government

L

Large Family: family of five or more persons

Lead-Based Paint Hazards: health and safety hazards caused by lead-based paint

Lease purchase: assists low- to moderate-income homebuyers in purchasing a home by allowing them to lease a home with an option to buy; the rent payment is made up of the monthly rental payment plus an additional amount that is credited to an account for use as a down payment.

LEED® The Leadership in Energy and Environmental Design -- Green Building Rating System™ encourages and accelerates global adoption of sustainable green building and development practices through the creation and implementation of universally understood and accepted tools and performance criteria.

Leverage: the use of funds to complete a transaction. The use of various financial instruments or borrowed capital, such as margin, to increase the potential return of an investment. . The amount of debt used to finance firm's assets.

Lien: the broadest term for any sort of charge or encumbrance against an item of property that secures the payment of a debt. A legal claim against a piece of property that can prevent it from being sold unless the lien is satisfied (paid off). Liens can be filed by unpaid contractors or other debtors in a legal process so that they will be paid when a property is sold.

LISC — Local Initiatives Support Corporation: helps resident-led, community-based development organizations transform distressed communities and neighborhoods into healthy ones – good places to live, do business, work and raise families. By providing capital, technical expertise, training and information, LISC supports the development of local leadership and the creation of affordable housing, commercial, industrial and community facilities, businesses and jobs.

LIHTC — Low Income Housing Tax Credit (or Tax Credit) program was created by the Tax Reform Act of 1986 as an alternate method of funding housing for low- and moderate-income households. The credits are also commonly called Section 42 credits in reference to the applicable section of the Internal Revenue Code. The tax credits are more attractive than tax deductions as they provide a dollar-for-dollar reduction in a taxpayer's federal income tax, whereas a tax deduction only provides a reduction in taxable income. There are two Credit rates, or Applicable Percentages, #1) "9% Credit" and #2) "4% Credit", depending on the type of Project.

LLC — Limited Liability Corporation: a type of company, authorized only in certain states, whose owners and managers receive the limited liability and (usually) tax benefits of an S Corporation without having to conform to the S corporation restrictions.

Loan: money borrowed that is usually repaid with interest.

Loan fraud: purposely giving incorrect information on a loan application in order to better qualify for a loan; may result in civil liability or criminal penalties.

Lock-in: many lenders offer an interest rate lock-in that guarantees a specific interest rate if the loan closes within a specific time.

Loss mitigation: a process to avoid foreclosure; the lender tries to help a borrower who has been unable to make loan payments and is in danger of defaulting on his or her loan

Low Income: A household whose income does not exceed 80 percent of the median income for the area, as determined by HUD.

LTV— Loan-to-value ratio: a percentage calculated by dividing the amount borrowed by the price or appraised value of the home to be purchased; the higher the LTV, the less cash a borrower is required to pay as down payment.

M

Margin: an amount the lender adds to an index to determine the interest rate on an adjustable rate mortgage.

MDHA — Miami-Dade Housing Agency.

Miami Dade County: (often referred to as simply Miami or Dade) is a county located in the southeastern part of the state of Florida, Miami-Dade County, Florida is the largest county in the southeastern United States and the eighth largest in the nation by population. Approximately 418 square miles (excludes Bay and Coastal Water) of the County are within the urban development boundary while the total county land area currently covers a total of 2,431 square miles (1,946 square miles of land and 485 square miles of water) and is bound by Biscayne Bay and the Atlantic Ocean to the east, Everglades National Park to the west, the Florida Keys to the south, and Broward County to the north.

Modular Home: A modular home is constructed of pre-made parts and unit modules. A complete kitchen and bath may be pre-set in the house. Wall panels, trusses, and other pre-fabricated house parts are transported on a flatbed truck from the factory to the building site.

Mobile Home: a large house trailer that can be connected to utilities and can be parked in one place and used as permanent housing.

Moderate Income Family: Households whose incomes are between 81 percent and 95 percent of the median income for the area, as determined by HUD, with adjustments for smaller or larger families.

Moderate Rehabilitation Program: Substandard rental housing that has been upgraded by private developers. Project-based rental subsidies are provided on behalf of eligible low-income families includes the amortization of the project's rehabilitation and operating costs.

Mortgage: a lien on the property that secures the Promise to repay a loan.

Mortgage banker: a company that originates loans and resells them to secondary mortgage lenders like Fannie Mae or Freddie Mac.

Mortgage broker: a firm that originates and processes loans for a number of lenders.

Mortgage insurance: a policy that protects lenders against some or most of the losses that can occur when a borrower defaults on a mortgage loan; mortgage insurance is required primarily for borrowers with a down payment of less than 20% of the home's purchase price.

Mortgage insurance premium (MIP): a monthly payment -usually part of the mortgage payment - paid by a borrower for mortgage insurance.

Mortgage Modification: a loss mitigation option that allows a borrower to refinance and/or extend the term of the mortgage loan and thus reduce the monthly payments.

MOU — Memorandum of Understanding is a document describing a bilateral or multilateral agreement between parties. It expresses a convergence of will between the parties, indicating an intended common line of action.

Multi-Modal Center: serves as a centrally-located portal of services for those who bicycle, bus, or take the commuter rail to and from work or recreation.

N

NAC — Neighborhood Advisory Committee: responsible for implementing the recommendations formulated by the Neighborhood Task Force and to address new neighborhood issues as may be identified.

New urbanism: is an American urban design movement that arose in the early 1980s. Its goal is to reform many aspects of real estate development and urban planning, from urban retrofits to suburban infill. New urbanist neighborhoods are designed to contain a diverse range of housing and jobs, and to be walk able. New Urbanism can include (neo) traditional neighborhood design and transit-oriented development.

Not-for-profit Corporation is an incorporated organization created by statute, government or judicial authority and is not intended to provide a profit to the owners or members. 501(c) is a provision of the United States Internal Revenue Code (26 U.S.C. § 501(c) some federal income taxes. 501(c)(3) status after they file an application and supporting documentation to the IRS and have a certification letter issued.

NRSA — Neighborhood Revitalization Strategic Area targeted for assistance by the Miami-Dade County Office of Community and Economic Development under the U.S. HUD Community Development Block Grant program.

O

OCED — Office of Community and Economic Development

Offer: indication by a potential buyer of a willingness to purchase a home at a specific price; generally put forth in writing.

OSH — Office of Supportive Housing: designed to develop supportive housing and services that will allow homeless persons to live as independently as possible.

OSHA --- Occupational Safety and Health Administration: is the main federal agency charged with the enforcement of safety and health legislation.

Overcrowded: A variety of measures is used, such as Persons-Per-Room, Persons-Per-Bedroom, Unit Square Footage-Per-Person, and Persons-Per-Room by Unit Square Footage-Per-Person. Generally more than two persons per bedroom is considered overcrowding.

Open Space: The exterior open space in an urban lot occupied by a commercial structure.

Origination: the process of preparing, submitting, and evaluating a loan application; generally includes a credit check, verification of employment, and a property appraisal.

Origination fee: the charge for originating a loan; is usually calculated in the form of points and paid at closing.

Owner or Project Owner: The awarded applicant. Entity that initiates a project, finances it, contracts it out, and benefits from its output(s). Also called just owner. Except in CRP grant program that enables a lessee to apply for and receive a CRP grant.

P

Partial Claim: a loss mitigation option offered by the FHA that allows a borrower, with help from a lender, to get an interest-free loan from HUD to bring their mortgage payments up to date.

Participating Jurisdiction: Any jurisdiction that has been so designated by HUD in accordance with CFR 92.105.

PCORE: Planning, Community Outreach and Real Estate. A section of OCED.

Performance Measurement System: US HUD CDBG Grantees such as Miami-Dade County gather information in order to determine the effectiveness of their programs

Permanent Supportive Housing: is affordable rental housing with support services for low-income or homeless people with severe mental illness, substance abuse, or HIV/AIDS.

Permitting: Approval: process performed by Miami-Dade County or the Municipality's Building Departments.

PHA --- Public Housing Authority: Any state or local government, other government entity, public body or its agency which is authorized to engage in or assist the development or operation of low-income housing

Phase I ESA: typically addresses both the underlying land as well as physical improvements to the property; however, techniques applied in a Phase I ESA never include actual collection of physical samples or chemical analyses of any kind.

PITI: Principal, Interest, Taxes, and Insurance - the four elements of a monthly mortgage payment; payments of principal and interest go directly towards repaying the loan while the portion that covers taxes and insurance (homeowner's and mortgage, if applicable) goes into an escrow account to cover the fees when they are due.

PLP — Predevelopment Loan Program: helps nonprofit and community based organizations, local governments, and public housing authorities plan, finance, and develop affordable housing through individualized technical assistance and flexible below market interest financing for predevelopment activities.

PMI: Private Mortgage Insurance; privately-owned companies that offer standard and special affordable mortgage insurance programs for qualified borrowers with down payments of less than 20% of a purchase price.

Poverty Level Family: family with an income below poverty line, as defined by the office of Management and Budget and revised annually.

Pre-approve: lender commits to lend to a potential borrower; commitment remains as long as the borrower still meets the qualification requirements at the time of purchase.

Pre-foreclosure sale: allows a defaulting borrower to sell the mortgaged property to satisfy the loan and avoid foreclosure.

Pre-qualify: a lender informally determines the maximum amount an individual is eligible to borrow.

Premium: an amount paid on a regular schedule by a policyholder that maintains insurance coverage.

Predatory Lending: the practice of a lender deceptively convincing borrowers to agree to unfair and abusive loan terms, or systematically violating those terms in ways that make it difficult for the borrower to defend against.

Prepayment: payment of the mortgage loan before the scheduled due date; may be subject to a prepayment penalty.

Principal: the amount borrowed from a lender; doesn't include interest or additional fees.

Project: is a temporary activity with a starting date, specific goals and conditions, defined responsibilities, a budget, planning, a fixed end date and multiple parties involved.

Project Based Section 8 Housing Also known as Housing Choice Voucher: A Public Housing Agency (PHA) may attach vouchers to developments not to exceed 25% of the building and 20% of the PHAs total voucher allocations.

Project Management: is the discipline of planning, organizing, and managing resources to bring about the successful completion of specific project goals and objectives. A project is a finite endeavor—having specific start and completion dates—undertaken to create a unique product or service which brings about beneficial change or added value.

Project Manager: to plan, organize staff, motivate, evaluate, direct, control and lead the project from start to finish against a determined set of requirements given to him by the business.

Public Housing: is a form of housing tenure in which the property is owned by a government authority, which may be central or local. Housing assisted under the Housing Act of 1937.

PWA — Persons With AIDS: population affected with the AIDS virus.

R

Radon: a radioactive gas found in some homes that, if occurring in strong enough concentrations, can cause health problems.

Real estate agent: an individual who is licensed to negotiate and arrange real estate sales; works for a real estate broker.

REALTOR: a real estate agent or broker who is a member of the NATIONAL ASSOCIATION OF REALTORS, and its local and state associations.

Refinancing: paying off one loan by obtaining another; refinancing is generally done to secure better loan terms (like a lower interest rate).

Rehabilitation mortgage: a mortgage that covers the costs of rehabilitating (repairing or Improving) a property; some rehabilitation mortgages - like the FHA's 203(k) - allow a borrower to roll the costs of rehabilitation and home purchase into one mortgage loan.

RESPA: Real Estate Settlement Procedures Act; a law protecting consumers from abuses during the residential real estate purchase and loan process by requiring lenders to disclose all settlement costs, practices, and relationships

RFA — Request for Applications (RFA): the Office of Community and Economic Development, annually conducts a consolidated RFA. Through this process, private nonprofit community based organizations (CBOs), community development corporations (CDCs), private-for-profit developers and public agencies can apply for funds to build low-income housing, capital improvements, economic development. The main funding sources are: CDBG, HOME, and SHIP.

S

SAIL— State Apartment Incentive Program: provides low-interest loans on a competitive basis to affordable housing developers each year.

SEMAP — Section Eight Management Assessment Program: measures the performance of the public housing agencies (PHAs) that administer the housing choice voucher program in 14 key areas.

Statutory program goals: include Decent Housing; Suitable Living Environment; expanded Economic Opportunities.

Section 3: a provision of the Housing and Urban Development (HUD) Act of 1968 that promotes local economic development, neighborhood economic improvement, and individual self-sufficiency.

Section 108 Loan Guarantee: Section 108 is the loan guarantee provision of the CDBG Program. It offers communities a source of financing for housing rehabilitation, economic development, and large-scale physical development projects.

Set-asides: - Housing and rental units for individuals and families with incomes at or below a percentage of the area median income, in which a percentage of the units are reserved .

SHARP — Senior Housing Assistance Repair Program: provides senior and disabled homeowners with small household repairs funds are forgiven if the terms and conditions are met.

SHIP — State Housing Initiatives Program: designed to develop and maintain affordable housing and to implement the Local Housing Assistance Plan.

SHPO — State Historic Preservation Officers: Established under the National Historic Preservation Act of 1966, the national historic preservation program is a partnership between the Federal, State, Tribal and local governments; private organizations; and the public. SHPO play a critical role carrying out many responsibilities under the Act

Settlement: another name for closing.

SFRRRC (The South Florida Regional Resource Center) assists neighborhood, city, county, and civic organizations with local needs and educates these organizations about the importance of collaboration to achieve regional objectives with local importance.

SLR Subsidy Layering Review: The subsidy layering review is intended to prevent excessive public assistance for the housing by combining (layering) housing assistance payment subsidy under the PBV program with other governmental housing assistance from federal, state, or

local agencies, including assistance such as tax concessions or tax credits. Intended to prevent excessive public assistance for the housing by combining (layering) housing assistance payment subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits.

Special Needs Populations: Tenants who may have special circumstances under which they live a person with a mental, emotional, or physical disability or a high risk of developing one.

Special Forbearance: a loss mitigation option where the lender arranges a revised repayment plan for the borrower that may include a temporary reduction or suspension of monthly loan payments.

SRO — Single Room Occupancy a multi-room and/or multi-floor facility that offers single rooms-for-lease. Typically a larger apartment-style building with shared kitchen facilities.

Subordinate: to place in a rank of lesser importance or to make one claim secondary to another.

SURTAX: (please see Documentary Surtax Program)

Substandard Housing: Housing units that are overcrowded, do not have heat, or lack complete kitchen or plumbing facilities.

Supportive Housing: Housing, including housing units and group quarters that have a supportive environment and includes a planned service component.

Suburban infill: describes the development of land in existing suburban areas that was left vacant during the development of the suburb. It is one of the tenets of the New Urbanism and smart growth trends of urging densification to reduce the need for automobiles, encourage walking, and ultimately save energy.

Survey: a property diagram that indicates legal boundaries, easements, encroachments, rights of way, improvement locations, etc.

Sweat equity: using labor to build or improve a property as part of the down payment

T

Tax Credit Factor: The Tax Credit Factor means the factor selected that represents, on a percentage basis, the net value of the Credit dollar amount available for Total Project Costs. The Tax Credit Factor depends on the market value of the Project's 10 year Credit amount to investors, discounted for its present value, less Intermediary Costs.

Tax Credits: Rental Housing Tax Credits are a financial incentive for developers to construct or rehabilitate housing developments for rental to low-income persons. RHTCs are authorized under the Internal Revenue Code Section 42.

Tax Increment Funding (TIF) is a tool to use future gains in taxes to finance the current improvements that will create those gains. When a public project such as a road, school, or hazardous waste cleanup is carried out, there is an increase in the value of surrounding real estate, and often new investment (new or rehabilitated buildings, for example). This increased site value and investment creates more taxable property, which increases tax revenues.

TBRA --- Tenant-Based Rental Assistance: assists low- and very low-income families in obtaining decent, safe, and sanitary housing in private accommodations by making up the difference between what they can afford and the approved rent for an adequate housing unit. Housing assistance that is provided to the tenant for use in acceptable units and may be transferred to other units.

The Contract: County/Owner Contract under this Program.

The County: Miami-Dade County

The Sadowski Act: Landmark Legislation to Create Housing and Employment and to Revitalize Communities — The Sadowski Act provides both the funding mechanism for a dedicated source of revenue for state and local housing programs and a flexible but accountable framework for local programs that stimulates local economies.

Tiebreaker: An additional contest/requirement designed to establish a winner among tied contestants.

Title 1: an FHA-insured loan that allows a borrower to make non-luxury improvements (like renovations or repairs) to their home; Title I loans less than \$7,500 don't require a property lien.

Title insurance: insurance that protects the lender against any claims that arise from arguments about ownership of the property; also available for homebuyers.

Title search: a check of public records to be sure that the seller is the recognized owner of the real estate and that there are no unsettled liens or other claims against the property.

TOD --- Transit oriented development: Mixed-use residential or commercial area designed to maximize access to public transport, and often incorporates features to encourage transit ridership

TDC --- Total Development Cost: The sum of all costs for site acquisition, relocation, demolition, construction and equipment, interest, and carrying charges.

Transitional housing: means a project that has as its purpose facilitating the movement of homeless individuals and families to permanent housing within a reasonable amount of time

(usually 24 months). Transitional housing includes housing primarily designed to serve deinstitutionalized homeless individuals and other homeless individuals with mental or physical disabilities and homeless families with children.

TND --- Traditional Neighborhood Development: or Neo-traditional Planning is a New Urbanist approach to designing cities, towns, and neighborhoods. Traditional, or Neo-traditional, planners, developers, architects, and designers try to reduce traffic and eliminate sprawl

Truth-in-Lending: a federal law obligating a lender to give full written disclosure of all fees, terms, and conditions associated with the loan initial period and then adjusts to another rate that lasts for the term of the loan.

TUA --- Targeted Urban Area: Areas within Miami Dade County with a high low to moderate income population.

U

Underwriting: the process of analyzing a loan application to determine the amount of risk involved in making the loan; it includes a review of the potential borrower's credit history and a judgment of the property value.

Unincorporated Areas: a region of land that is not a part of any municipality.

Unit of General Local Government: a City, town, township, county, parish, village, or other general purpose political subdivision of a State; an urban county; and a consortium of such political subdivisions recognized by HUD in accordance with the HOME program or the CDBG program.

U.S. HUD: — U. S. Department of Housing and Urban Development: HUD: the U.S. Department of Housing and Urban Development; established in 1965, HUD works to create a decent home and suitable living environment for all Americans.

Utility Allowance: The adjustment for utilities not included in the rent in the LIHTC program.

Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 -- (Uniform Act): was signed into law. The Uniform Act provides important protections and assistance for people affected by federally funded projects. This law was enacted by Congress to ensure that people whose real property is acquired, or who move as a result of projects receiving Federal funds, will be treated fairly and equitably and will receive assistance in moving from the property they occupy.

UFAS --- Uniform Federal Accessibility Standards: The Uniform Federal Accessibility standards are uniform standards for the design, construction and alteration of buildings so that physically handicapped persons will have ready access to and use of them in accordance with the Architectural Barriers Act (ABA). The ABA requires access to facilities designed, built, altered, or leased with Federal funds. Passed by Congress in 1968, it marks one of the first efforts to ensure access to the built environment. The Access Board develops and maintains accessibility guidelines under this law. These guidelines serve as the basis for the standards used to enforce the law, the Uniform Federal Accessibility Standards (UFAS).

V

VA --- Department of Veterans Affairs: a federal agency which guarantees loans made to veterans; similar to mortgage insurance, a loan guarantee protects lenders against loss that may result from a borrower default.

Very Low-Income: Households whose incomes do not exceed 50 percent of the median area income for the area, as determined by HUD, with adjustments for smaller and larger families and for areas with unusually high or low incomes or where needed because of facility, college, or other training facility; prevailing levels of construction costs; or fair market rents.

W

Workforce: is the labor pool members of the workforce such as police officers, teachers, nurses and medical technicians, office workers, etc.,

Workforce Housing — housing intended to appeal to key labor pool members of the workforce such as police officers, teachers, nurses and medical technicians, office workers, etc., Housing aims at satisfying the housing needs of family households earning 50% to 140% of median household income in a given SMSA (Standard Metropolitan Statistical Area).