Posted 8.18.2026
Updated 8.28.2026
Updated 9.11.2026

Update FAQs as of September 11th

1. **How should I handle the required Notarized Affidavits certifying good standing on property taxes, properties don't have outstanding liens, and sponsor and principle participants are not in default on any existing mortgage financing?**
   This is a self-certification, and applicants may draft it themselves if comfortable doing so, or ask a legal advisor or other trusted source to help prepare it. The attestation should address each of the eligibility criteria listed in the Application instructions for this item (good standing, current tax status, no liens, and no default on existing financing).

   The document should be signed in front of a notary. The notary's role is to verify the signer's identity and witness the signature. Louisiana notaries can often be found through an attorney, title company, or bank, or by searching online; most charge a small fee.

Updated FAQs as of August 28th

1. **Which local lenders/banks are open to participating in this program? Have any local banks/lenders made commitments on participation?**
   FNO has not formally engaged any lenders at this stage. Applicants are welcome to independently engage any lender or banking institutions during the application process. Successful applicants will be provided with instructions on next steps for setting up formal partnerships with lending institutions and a list of lenders that have signed a Servicing Agreement with FNO at that stage (if any).

2. **I don't have time to procure an architect before submitting my application. Can I still satisfy the minimum requirements for the application?**
   Yes. What FNO is looking for to satisfy minimum requirements is evidence your project budget and dependencies in your financial model are on target. We will accept schematic architectural plans, scopes of work, and/or preliminary schedule of values to satisfy this requirement, according to guidance on page 7 of the SMART Application.

3. **Does the line-item budget need to be complete and final in my SMART Project Financial Model?**
   No. We understand you may not have complete and final line-item budget data at this stage. Please do your best to provide estimates for each item based on your schematic

architectural plans, scopes of work, and preliminary schedule of values, quotes, bids, etc., so topline budget items are as realistic as possible at this time. FNO will may ask for more detailed construction budget data prior to closing construction financing and/or permanent financing. Once construction is underway, FNO should be informed about variations in top-line budget items as described in the model.

4. **What do I do if there is an error in FNO's SMART Financial Model?** Email htf@financeauthority.org and let us know about the issue! We will work to update the model and post the updates on our website as soon as possible. **FNO will not respond to questions or make changes to Financial Models or other application materials after Thursday, September 3rd**

Submitted Questions from FNO's August 14th SMART Loan Application Info Session

1. **Are double or duplex units eligible for funding assistance?** Yes. However, FNO will prioritize triplexes and fourplexes for funding selection. Applications for duplexes, mixed-use projects, and requests for take-out funds will be considered if funds remain after competitive triplex and fourplex developments have been selected. Developers with projects fitting these criteria are encouraged to apply prior to the stated deadline. **The total unit count per-lot is what matters most. Projects involving 3 or 4 units in two separate structures on the same lot will be considered a triplexes or fourplexes for the purposes of the SMART Loan.**

2. **Must we already be a Registered LLC to submit the application for funding, or can the application be submitted for consideration pending becoming a registered LLC?** Yes. Applicants and all members of the developer team must already be an LLC, non-profit corporation, or other legal entity with a Certificate of Good standing from the State of Louisiana at the time of application. FNO may require successful applicants to form a new LLC or SPE formalizing partnerships. If developer teams are not already a formal, legal entity, FNO strongly encourages teams to submit partnership agreements with their applications

3. **If interest is permitted to accrue on the private lender's construction loan, can that interest be capitalized and included as an eligible project cost rather than paid monthly during construction?** Interim or construction

financing is a permitted project budget line-item. However, whether private lender permits deferred interest payments is dependent upon private lender financing.

4. **Does the private institutional lender providing the construction financing have to be the same lender providing the required 30-year fixed-rate permanent loan, or may an applicant use one lender for construction and a different lender for permanent financing?** Construction lender and lender providing private permanent financing do not need to be the same entity.

5. **What documentation from the proposed private lender is required versus recommended? For example, is a preliminary term sheet or letter of interest sufficient with the application, with the firm 30-year permanent financing commitment required later before construction closing?** None of these documents are required. However, applicants may receive bonus points if they are able to provide draft term sheets for permanent or construction loans for their project from a qualified lender. See guidance on what should be included in these documents in the updated Application posted on 8.14.

6. **When demonstrating the development team's experience, may the applicant include residential projects completed by the proposed general contractor and development partners where those team members managed or constructed the development?** These types of partnerships are encouraged for the purpose of this application. Factors such as cumulative experience of development team, duration of the development team's work together, developer's experience managing construction projects and affordable housing, and portfolio data may be evaluated for scoring overall project strength, developer experience, and other project criteria.

7. **The RFA caps the developer fee at 10% of hard costs. Is the developer permitted to defer a portion of its developer fee as a source of project financing or equity, and if so, will deferred developer fee count toward the required 10% equity contribution?** Deferred developer fees will not be considered as equity at the construction phase.

8. **Will FNO issue developers' tax-exempt forms to assist with offsetting costs with material purchases and labor?** No. Sales tax abatements are not offered by FNO for SMART developments.

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9. **Is there a limit per application or project that can be awarded?**
    - No more than $125,000 per rental unit for rental projects or $70,000 per unit for mixed-tenure CLTs
    - No more than 50% of available funds can be awarded to one developer