

FISCAL YEAR 2023 HOMEOWNERSHIP INITIATIVE NOTICE OF FUNDING OPPORTUNITY PREVIEW

Frequently Asked Questions (FAQ)

The purpose of this document is to answer questions HUD received about the Homeownership Initiative Notice of Funding Opportunity (NOFO) Preview. The answers to these questions could change if updates are made to the Homeownership Initiative NOFO.

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Section 1. General Questions

1.1 What is the Preview of the Homeownership Initiative Notice of Funding Opportunity (NOFO)?

Answer: HUD published a [Federal Register Notice](#) announcing the publication of a preview of the Fiscal Year (FY) 2023 Homeownership Initiative NOFO on July 27, 2023, to give interested housing counseling Applicants time to prepare their applications prior to the opening of the application period. Interested Applicants are strongly encouraged to thoroughly review and prepare for the NOFO by carefully examining the NOFO Preview, with particular attention to the fixed amount award submission requirements and rating factor responses.

1.2 What is the Homeownership Initiative NOFO?

Answer: The Homeownership Initiative Notice of Funding Opportunity is a new, fixed amount award, that will fund Grantees who navigate their clients through three stages of the housing counseling home buying process: pre-purchase counseling, the home purchase process, and post-purchase counseling. This award is designed to help eligible program clients navigate the various barriers that may arise before, during, and after a home purchase.

The information provided in this FAQ is only applicable to the Homeownership Initiative NOFO Preview. The answer to this question may change if any relevant modifications are made to the

Homeownership Initiative NOFO. HUD will publish Homeownership Initiative NOFO FAQs during the application period.

1.3 When will the Homeownership Initiative NOFO be published?

Answer: HUD anticipates publishing the Homeownership Initiative NOFO as soon as possible. Interested Applicants should ensure they are signed up for the [Housing Counseling Mailing List](#) to receive emails regarding the NOFO's publication.

1.4 Will the published Homeownership Initiative NOFO remain the same as the published Homeownership Initiative NOFO Preview?

Answer: Changes will be outlined in the NOFO when published if they are made.

1.5 Does the Homeownership Initiative NOFO replace the Comprehensive Housing Counseling NOFO for FY 2023?

Answer: The Homeownership Initiative NOFO is a new grant opportunity and does not replace the Comprehensive Housing Counseling NOFO.

1.6 Can interested Applicants of the Homeownership Initiative NOFO plan for this grant opportunity in upcoming years after FY 2023?

Answer: Funding for future years of the Homeownership Initiative NOFO is contingent upon congressional appropriations and departmental priorities.

The information provided in this FAQ is only applicable to the Homeownership Initiative NOFO Preview. The answer to this question may change if any relevant modifications are made to the Homeownership Initiative NOFO. HUD will publish Homeownership Initiative NOFO FAQs during the application period.

1.7 What is the Period of Performance of the Homeownership Initiative NOFO?

Answer: Estimated Period of Performance is October 1, 2023 – September 30, 2024.

The information provided in this FAQ is only applicable to the Homeownership Initiative NOFO Preview. The answer to this question may change if any relevant modifications are made to the Homeownership Initiative NOFO. HUD will publish Homeownership Initiative NOFO FAQs during the application period.

1.8 Are successful Applicants able to charge the Homeownership Initiative NOFO for costs incurred prior to the Period of Performance?

Answer: No. Pre-award costs are not allowed under this grant.

The information provided in this FAQ is only applicable to the Homeownership Initiative NOFO Preview. The answer to this question may change if any relevant modifications are made to the Homeownership Initiative NOFO. HUD will publish Homeownership Initiative NOFO FAQs during the application period.

1.9 What is the Form HUD-91045, Homeownership Initiative Chart?

Answer: The Form HUD-91045 Homeownership Initiative Chart is a form that all Applicants should submit with their grant application. Applicants should complete each question on the form. Applicants are asked to submit information for each of their Subgrantees and/or Branches they plan to fund with this grant. Please note that Form HUD-91045 was not included in the NOFO Preview. Applicants will be able to download the form in the application package on grants.gov when the NOFO is published.

The information provided in this FAQ is only applicable to the Homeownership Initiative NOFO Preview. The answer to this question may change if any relevant modifications are made to the Homeownership Initiative NOFO. HUD will publish Homeownership Initiative NOFO FAQs during the application period.

1.10 What is the Draft Homeownership Initiative Statement of Work (SOW) in Appendix B of the Homeownership Initiative NOFO Preview?

Answer: The Draft Homeownership Initiative SOW is provided in the NOFO Preview to apprise all Applicants of the task requirements for this NOFO. The Draft SOW contains two sections: I. Administrative Requirements and II. Program Requirements. Both sections list tasks required of the Grantee. The Draft SOW is subject to change. HUD will provide the Final Homeownership Initiative SOW in the Grantees' award packages.

The Administrative Requirements section lists the types of tasks that occur during the grant's Period of Performance, which include the following: Unit Negotiation, Grant Execution, Grant Activity Report, Final Report, Grant Closeout, and Other Administrative Requirements.

The Program Requirements section will be utilized by HUD and the Grantee after the unit rate, projected units, and approved costs of managing the network have been negotiated and approved. HUD will complete the table with the approved numbers and provide it to the Grantee to maintain on file.

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1.11 What items are being scored in the Homeownership Initiative NOFO?

Answer: There are two Rating Factors in the Homeownership Initiative NOFO that are worth 50 points each: (1) The Capacity of the Applicant, which includes the Applicant’s demonstrated history with Comprehensive Housing Counseling (CHC) NOFOs; and (2) Need and Advancement of NOFO Priorities, which measure the extent to which the Applicant will be able to contribute to HUD’s strategic goals and the grant’s program purpose. To do so, the Applicant will answer questions about: (i) underserved communities in the areas served by its network; (ii) targeted populations; (iii) program design; (iv) Affirmatively Furthering Fair Housing; (v) affirmative marketing and outreach; and (vi) collaboration. There is also a possibility of obtaining up to four (4) preference points: (1) Promise Zones (PZ) (2 points), and (2) Minority-Serving Institutions (MSI) (2 points).

See Section V.A.1, *Rating Factors*, of the NOFO Preview for more information.

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1.12 What is Culturally Sensitive, Linguistically Appropriate Housing Counseling?

Answer: The Office of Housing Counseling’s definition of Culturally Sensitive, Linguistically Appropriate Housing Counseling is housing counseling that is responsive to clients’ abilities and preferred languages, cultural beliefs and practices, identities, and other aspects of diversity. It recognizes that, to achieve greater equity in housing, housing counseling must promote fair housing and fair lending and be accessible, understandable, and relevant to the client, as determined by the housing counseling agencies in cooperation with their clients. See the definition listed in Appendix A of the NOFO Preview.

The information provided in this FAQ is only applicable to the Homeownership Initiative NOFO Preview. The answer to this question may change if any relevant modifications are made to the Homeownership Initiative NOFO. HUD will publish Homeownership Initiative NOFO FAQs during the application period.

1.13 In the Homeownership Initiative NOFO Preview, Rating Factor 2d, Affirmatively Furthering Fair Housing, states that the “Applicant is required to submit a certification that it will affirmatively further fair housing.” How does the Applicant submit this certification?

Answer: With some exceptions for Federally recognized Indian tribes and their agencies or instrumentalities, Rating Factor 2d requires Applicants to describe activities that their Subgrantees and/or Branches will undertake to Affirmatively Further Fair Housing. An acceptable response to Rating Factor 2d on the Form HUD-91045 Homeownership Initiative

Chart will serve as certification for purposes of the application that the Applicant and its Subgrantees and/or Branches will Affirmatively Further Fair Housing.

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1.14 Are Grantees required to update their housing counseling work plans for the Homeownership Initiative NOFO?

Answer: Grantees must have a HUD-approved work plan that demonstrates their plan to provide housing counseling activities specified in the Homeownership Initiative Chart HUD-91045, which includes pre-purchase and post-purchase counseling. If the Applicant's current work plan does not include these activities, prior to applying for the Homeownership Initiative NOFO, the Applicant should submit a modification of the work plan for approval to their HUD Point of Contact (POC) in accordance with the current Housing Counseling Handbook 7610.1 Chapter 3-2(B).

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Section 2. Fixed Amount Award/Unit Pricing and Components

2.1 What is a Fixed Amount Award?

Answer: A Fixed Amount Award is a type of grant that provides a specific level of support without regard to actual costs incurred as opposed to a cost reimbursement grant. For the Office of Housing Counseling's Homeownership Initiative NOFO, Grantees will receive reimbursement based on the unit rate pre-negotiated with HUD for each household they assist in reaching the goal of homeownership. Specifically, the Homeownership Initiative NOFO Preview requires that the housing counseling agency assist the household in completing all three of the unit components which include: pre-purchase counseling, home purchase, and post-purchase counseling, or certification that post-purchase counseling will be completed 6-12 months after home purchase for the agency to be reimbursed for each household.

See 2 C.F.R. 200.1 and 2 C.F.R. 200.201 for information on Fixed Amount Awards.

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Homeownership Initiative NOFO. HUD will publish Homeownership Initiative NOFO FAQs during the application period.

2.2 How is the amount of the Homeownership Initiative award going to be calculated?

Answer: Section V.B.4. of the Homeownership Initiative NOFO Preview states that grant amounts will be determined by the Applicant's NOFO score and may be adjusted by additional factors such as anticipated volume of work, network size, and proposed budgets. HUD also reserves the right to fund less than the amount requested in the application.

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2.3 Why is HUD using the Fixed Amount Award model for the Homeownership Initiative NOFO?

Answer: HUD seeks to introduce the Fixed Amount Awards method into its grant programming to streamline payment for housing counseling services and help set the industry standard for reasonable payments for housing counseling.

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2.4 What kinds of activities will the Homeownership Initiative grant pay for?

Answer: The Homeownership Initiative grant will fund an agreed upon number of completed units each paid at an agreed upon unit rate. Each unit must consist of the following three completed components: 1) pre-purchase counseling, 2) home purchase, and 3) post-purchase counseling, or certification that post-purchase counseling is required and will be completed 6-12 months after home purchase.

See Section IV.F.2.b. in the Homeownership Initiative NOFO Preview for more information.

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2.5 The Homeownership Initiative NOFO Preview references "units" that have to be completed for payment under the grant. What is considered a "unit" under this NOFO?

Answer: A unit is defined as a household that has successfully completed the following three components: 1) pre-purchase counseling; 2) purchase of a home; and 3) post-purchase counseling, or certification that post-purchase counseling is required and will be completed 6-12 months after home purchase. See Section IV.F.2., *Fixed Amount Award*, in the NOFO Preview for more information.

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2.6 Can the Homeownership Initiative NOFO reimburse direct client assistance?

Answer: Direct client assistance, such as downpayment assistance, is not authorized by the housing counseling program statute nor the relevant appropriations act, and thus cannot be included in the rate. The fixed fee rate should include only those costs reasonable and necessary for providing housing counseling services.

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2.7 According to the Homeownership Initiative NOFO Preview, can the Homeownership Initiative NOFO reimburse activities provided by non-certified housing counselors (for example, for work provided by an agency's bookkeeper for their housing counseling program)?

Answer: For information on how to calculate unit rates, see FAQ 2.8 of the FY 2023 Homeownership Initiative NOFO Preview FAQs. Housing counseling services provided in connection with HUD programs must be provided by a HUD-certified housing counselor (24 C.F.R. 214.103(n)).

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2.8 How do we calculate the unit rates for our Subgrantees and/or Branches for the Homeownership Initiative NOFO? What types of activities can be included when calculating the unit rate?

Answer: Section IV.F.2.b. of the Homeownership Initiative NOFO Preview provides information on how an Applicant should calculate the unit rate for their network agencies. Calculations of the unit rate should consider the full cost of housing counseling required to fulfill the unit requirements. Calculations of unit rates should be based on historical data for providing pre-purchase and post-purchase counseling. The calculation may include but is not limited to the costs of salaries, fringe, travel, and marketing and outreach of the housing counseling program.

Additionally, the Negotiated Indirect Cost Rate (NICRA) or de minimis rate can be included in the proposed unit rates. NICRAs or de minimis rates will not be reimbursed separately from unit rates (i.e., applied on top of unit rates).

Unit rates should not include costs that the direct Grantee will retain for providing network management, oversight, and quality control. The costs for providing network management, oversight, and quality control can be submitted on Form HUD-91045 Homeownership Initiative Chart.

All Subgrantee rates must be individually calculated and will be individually negotiated. However, if the Applicant plans to fund Branch offices, HUD will accept the same unit rate for each Branch office listed on the Form HUD-91045 without requiring negotiation for each Branch.

Applicants are required to submit their proposed unit rates for each of the Subgrantees/Branches they plan to fund on Form HUD-91045 when applying for the Homeownership Initiative NOFO. All Applicants should complete and submit this chart.

Applicants can refer to existing guidance in HUD's [Model Funding Agreements and Fee Structure paper](#), Section 5, Client Cost Analysis, for assistance when calculating their cost of counseling that fulfills the unit requirements. The document provides a sample method for calculating the cost per client. Alternatively, Applicants may also develop their own calculations utilizing a documented and reasonable methodology.

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2.9 Can Grantees include indirect costs in the calculated unit rate for the Homeownership Initiative NOFO?

Answer: Yes. Section IV.F.2.b. of the Homeownership Initiative NOFO Preview states that the indirect cost rate may be included in the Applicant’s unit rate. During unit rate negotiations, Applicants must specify what indirect costs are included within the unit rate calculations. Indirect rates will not be reimbursed separately from unit rates (i.e., applied on top of unit rates).

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2.10 What type of housing counseling activity and documentation will satisfy the pre-purchase component of a completed unit for the Homeownership Initiative NOFO?

Answer: Individual counseling that satisfies HUD’s requirements of pre-purchase housing counseling is required for each completed unit. Grantees will be required to maintain, on file for HUD’s review, the activity logs for all of the pre-purchase counseling sessions that make up the reimbursed unit. Please note that homebuyer group education/workshops do not fulfill the pre-purchase counseling component requirement. See Section IV.F.2.b., *Documentation of Component Completion*, of the NOFO Preview for more information.

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2.11 What type of housing counseling activity and documentation will satisfy the requirements of the post-purchase component of the unit for the Homeownership Initiative NOFO?

Answer: Grantees must maintain on file one of the following: (1) activity logs for all housing counseling that occurred after home purchase for the unit, or (2) certification signed by the client and the housing counselor that post-purchase housing counseling is required and will take place within 6-12 months after home purchase. See Section IV. F. 2.b., *Documentation of Component Completion*, of the NOFO Preview for more information.

The information provided in this FAQ is only applicable to the Homeownership Initiative NOFO Preview. The answer to this question may change if any relevant modifications are made to the Homeownership Initiative NOFO. HUD will publish Homeownership Initiative NOFO FAQs during the application period.

2.12 According to the Homeownership Initiative NOFO Preview, can Grantees be reimbursed for pre- or post-purchase counseling activities that occurred before the start of the Period of Performance?

Answer: No. All activities that apply to a reimbursable unit must occur within the NOFO's Period of Performance.

The information provided in this FAQ is only applicable to the Homeownership Initiative NOFO Preview. The answer to this question may change if any relevant modifications are made to the Homeownership Initiative NOFO. HUD will publish Homeownership Initiative NOFO FAQs during the application period.

2.13 What types of documentation will satisfy the home purchase component of a completed unit for the Homeownership Initiative NOFO?

Answer: In accordance with the Homeownership Initiative NOFO Preview, Grantees will report certain data concerning the household, mortgage, and home purchase. Additionally, Grantees must maintain proof of home purchase which could include the deed, title transfer, or loan closing disclosures. Grantees and the Subgrantees/Branches are not required to attend a client's mortgage closing to fulfill this unit component. See Section IV. F. 2.b., *Documentation of Component Completion*, of the NOFO Preview for more information.

The information provided in this FAQ is only applicable to the Homeownership Initiative NOFO Preview. The answer to this question may change if any relevant modifications are made to the Homeownership Initiative NOFO. HUD will publish Homeownership Initiative NOFO FAQs during the application period.

2.14 How should the counseling activities that make up a reimbursed unit be tracked in a client's counseling file for the Homeownership Initiative NOFO?

Answer: According to the current HUD Housing Counseling Program Handbook 7610.1, Section 5-7(L), if the client's housing counseling services were partially or fully funded by a HUD housing counseling grant, the Grantee must document the funding source(s), time spent counseling, and the amounts to which the counseling activity is attributed.

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2.15 Will Homeownership Initiative Grantees be required to complete all post-purchase counseling before the end of the 12-month Period of Performance?

Answer: Post-purchase counseling may take place after the end of the Period of Performance as long as the Grantee fulfills all the specific grant requirements for a unit. The post-purchase component of a billable unit requires that the Grantee have the following on file for each unit at the time the unit is billed: (1) activity logs for all post-purchase counseling sessions for the unit or (2) a certification, signed by the household and housing counselor, that post-purchase counseling is required and will take place within 6-12 months after home purchase.

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2.16 How should Homeownership Initiative Grantees meet the follow-up requirements to qualify for unit reimbursement?

Answer: The Homeownership Initiative NOFO Preview states that at minimum, follow-up processes must meet Housing Counseling program policy as stated in 24 C.F.R. 214.300(c) and the current Housing Counseling Program Handbook 7610.1, Section 3-5(F). Follow-up efforts must be documented in the household's file.

If the housing counseling agency is unable to get in touch with the household for post-purchase counseling after home purchase, the housing counseling file must demonstrate that follow-up efforts were made according to, at minimum, HUD's policies.

At grant execution, Grantees will be required to review and approve all Subgrantee and/or Branch post-purchase counseling follow-up plans to ensure that they meet program policy. Grantees must also maintain all post-purchase counseling follow-up plans for HUD's review.

The information provided in this FAQ is only applicable to the Homeownership Initiative NOFO Preview. The answer to this question may change if any relevant modifications are made to the Homeownership Initiative NOFO. HUD will publish Homeownership Initiative NOFO FAQs during the application period.

2.17 How will Applicants select Subgrantees and/or Branches for the Homeownership Initiative NOFO?

Answer: Section IV.F.1. of the Homeownership Initiative NOFO Preview states that Applicants should select the Subgrantees and/or Branches they believe can best help HUD meet its goal of bridging the homeownership gap for historically underserved individuals and families.

All Subgrantees and/or Branches that the Applicant plans to fund if awarded this grant should be listed on Form HUD-91045 Homeownership Initiative Chart. Applicants that provide housing counseling services at their main office must include their office in the list if they plan to participate directly (as opposed to strictly in an oversight capacity) in this grant.

The information provided in this FAQ is only applicable to the Homeownership Initiative NOFO Preview. The answer to this question may change if any relevant modifications are made to the Homeownership Initiative NOFO. HUD will publish Homeownership Initiative NOFO FAQs during the application period.

2.18 According to the Homeownership Initiative NOFO Preview, the estimated total funding for the NOFO is smaller than HUD’s Comprehensive Housing Counseling (CHC) grant. If awarded, do we need to fund each Subgrantee/Branch in our network, or can we limit the number of Subgrantees/Branches that we fund?

Answer: Agencies can limit the number of Subgrantees and funded Branches to those they feel are best suited to meet the goals of the funding. There is no minimum or maximum number of Subgrantees and/or Branches that can participate in this grant.

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2.19 Will Grantees be able to make changes to their Subgrantee and/or Branch list?

Answer: HUD may allow reallocations among existing Subgrantees and Branches on a case-by-case basis. However, the Grantee will need to ensure the unit costs negotiated with HUD are followed for each Subgrantee.

To amend the list of Subgrantees, Branches, or corresponding subgrant amounts after the award, the Grantee must send the HUD Point of Contact (POC) a written request. HUD may decrease the award amount available to the Grantee if changes to the composition of Subgrantees and Branches would have resulted in a lower award amount than was awarded.

The information provided in this FAQ is only applicable to the Homeownership Initiative NOFO Preview. The answer to this question may change if any relevant modifications are made to the Homeownership Initiative NOFO. HUD will publish Homeownership Initiative NOFO FAQs during the application period.

2.20 Can an agency receive both Comprehensive Housing Counseling (CHC) and Homeownership Initiative grants? If so, how do the two grants work together?

Answer: Yes. An MSO, Intermediary, or SHFA can receive both a CHC Grant and a Homeownership Initiative Grant. The eligible activities and reporting criteria for these awards are different, so it is important to read the NOFO instructions and Grant Agreements closely. Grantees must have adequate internal controls to ensure there is no double-billing.

According to the Homeownership Initiative NOFO Preview, the grant will only be billable for individual housing counseling client activities that meet all three components of a negotiated unit. In such case, no other HUD or outside funding source can be used for work done for that three-component unit if reimbursed by this grant.

However, if one or more of the components of the unit, for whatever reason, is not met and thus the Homeownership Initiative grant cannot be billed for the work, the Grantee may choose to bill the CHC grant for the counseling. For example, if a client came to the agency for pre-purchase counseling prior to purchasing a home and the expected loan closure did not occur, the agency could bill the cost-reimbursable CHC grant for the pre-purchase counseling.

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2.21 According to the Homeownership Initiative NOFO Preview, can Homeownership Initiative Grantees be reimbursed for the costs of managing a network?

Answer: Applicants may request up to 15% of their grant award for the costs incurred providing network management, oversight, and quality control. The cost of managing a network must not be calculated in the Subgrantees'/Branches' proposed unit rates. See Section IV.F.2.e. of the Homeownership Initiative NOFO Preview for more information.

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Section 3. Applicant Eligibility

3.1 Who is eligible to apply for the Homeownership Initiative NOFO?

Answer: The Applicant must be

1. an Intermediary or MSO (as defined by 24 C.F.R. 214.3) approved to participate in the HUD Housing Counseling Program prior to the NOFO issue date, or a SHFA who meets the eligibility requirements published in the NOFO, and
2. experienced providing pre-purchase counseling and post-purchase counseling directly or through its Subgrantees and/or Branches.

HUD will use its own records to determine eligibility.

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3.2 According to the Homeownership Initiative NOFO Preview, are Local Housing Counseling Agencies (LHCA) and housing counseling agencies that are not directly approved by HUD, but participate in the program with an Intermediary, MSO, or SHFA, eligible for funding under the Homeownership Initiative NOFO?

Answer: While LHCA and non-HUD approved affiliates are not eligible to apply for this grant directly, they are eligible to receive a subgrant from an Intermediary, MSO, or SHFA. However, Homeownership Initiative Grantees can only provide subgrants to housing counseling agencies that are Subgrantees of their FY 2023 Comprehensive Housing Counseling (CHC) NOFO funded network.

The information provided in this FAQ is only applicable to the Homeownership Initiative NOFO Preview. The answer to this question may change if any relevant modifications are made to the Homeownership Initiative NOFO. HUD will publish Homeownership Initiative NOFO FAQs during the application period.

3.3 Does the Applicant need to be a current or previous Comprehensive Housing Counseling (CHC) Grantee to receive a Homeownership Initiative NOFO grant?

Answer: While an eligible Homeownership Initiative NOFO Applicant is not required to be CHC Grantee at the time of application, prior demonstrated housing counseling experience is a scored subfactor of the Homeownership Initiative NOFO. Specifically, Rating Factor 1.A., Demonstrated History, will use the Applicant's most recent CHC score to score the subfactor. Therefore, Applicants that are not recent CHC Grantees will not receive points for this subfactor.

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3.4 Can I add new Subgrantees to my network for the Homeownership Initiative NOFO?

Answer: No. According to the Homeownership Initiative NOFO Preview, Applicants can only provide subgrants to their network Branches and/or Subgrantees that are affiliated with their FY 2023 Comprehensive Housing Counseling (CHC) NOFO. See Section IV.F.1.b., *Subgrantee Affiliation*, of the NOFO for more information.

The information provided in this FAQ is only applicable to the Homeownership Initiative NOFO Preview. The answer to this question may change if any relevant modifications are made to the Homeownership Initiative NOFO. HUD will publish Homeownership Initiative NOFO FAQs during the application period.

3.5 Can a Subgrantee that receives a subgrant from an Intermediary, State Housing Finance Agencies (SHFA), or Multi-State Organization (MSO) for the Homeownership Initiative NOFO receive a subgrant from a *different* Intermediary, SHFA, or MSO for the FY23 Comprehensive Housing Counseling (CHC) NOFO?

Answer: No. According to the Homeownership Initiative NOFO Preview, Subgrantees must maintain the same network affiliation for this NOFO and the FY 2023 CHC NOFO. In addition, an LHCA may not be affiliated with an Intermediary or SHFA while the LHCA is a CHC direct Grantee. See Section IV.F.1.b. of the NOFO preview.

The information provided in this FAQ is only applicable to the Homeownership Initiative NOFO Preview. The answer to this question may change if any relevant modifications are made to the Homeownership Initiative NOFO. HUD will publish Homeownership Initiative NOFO FAQs during the application period.

3.6 Are State Housing Finance Agencies (SHFA) eligible to apply for the Homeownership Initiative NOFO if they did not receive a recent Comprehensive Housing Counseling (CHC) grant award?

Answer: According to the Homeownership Initiative NOFO Preview, all SFHAs are eligible to apply for this funding. However, Rating Factor 1, worth 50 points of the 104 total of the grant score, is based on Applicant capacity and demonstrated history. To assess an Applicant's points for this factor, HUD will use the Applicant's most recent NOFO application score from the CHC NOFO. Therefore, if an SHFA has never applied for a CHC grant, they will receive 0 out of 50 points. Eligibility requirements are stated in Section III. A. of the Homeownership Initiative NOFO Preview.

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Section 4. Application Forms and Charts

4.1 What forms do we need to complete during the Homeownership Initiative application process?

Answer: The Homeownership Initiative NOFO Preview lists the following forms as required for submission:

- Homeownership Initiative Chart, Form HUD-91045 (please note that this chart is not included in the Homeownership Initiative NOFO Preview for review but will be included in the NOFO application package on Grants.gov when the NOFO is published)
- Application for Federal Assistance, SF-424
- Applicant/Recipient Disclosure/Update Report, Form HUD-2880
- Applicant and Recipient Assurances and Certifications, Form HUD 424-B
- Certification Regarding Lobbying

Applicants may submit the following forms, if applicable:

- If the Applicant is a SHFA, they must also submit evidence of their statutory authority to operate as an SHFA and must submit evidence of their authority to apply for funds and subsequently use any funds awarded.
- The Applicant must complete and submit the SF-LLL, Disclosure Form to Report Lobbying, if any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or any employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan.
- See FAQs 4.2 and 4.3 of the FY 2023 Homeownership Initiative NOFO Preview FAQs regarding forms to submit if applying for Promise Zone and/or Minority-Serving Institutions Preference Points.

The signature of the authorized representative is signed and completed upon submission of the NOFO application in Grants.gov for the SF-424, HUD-2880, and Certification Regarding Lobbying. All other forms must be uploaded to the grant package.

See Section IV.B., *Content and Form of Application Submission*, of the NOFO Preview for the list of all required and optional forms to be submitted.

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4.2 What are the requirements for claiming the Promise Zone bonus Preference Points for the Homeownership Initiative NOFO?

Answer: According to the Homeownership Initiative NOFO Preview, to receive bonus Preference Points related to Promise Zones, an Applicant or, if applicable, its Subgrantees, must obtain the required certification on Form HUD-50153, Certification of Consistency with Promise Zone Goals and Implementation, signed by the authorized official of the designated Promise Zone in order to verify that the Applicant, or one or more of its Subgrantees, have met the required criteria. Form HUD-50153 can be found [here](#).

The physical location of the Applicant's or Subgrantee's office(s) is not specifically identified as a criterion for establishing eligibility for the Promise Zone Preference Points. Form HUD-50153 describes certain geographic criteria that must be met for the proposed activities and projects to be undertaken in connection with a Promise Zone.

See Section V.A.2. of the Homeownership Initiative NOFO Preview for detailed information about the Promise Zones Preference Points.

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4.3 What are the requirements for claiming the Minority-Serving Institution (MSI) Preference Points for the Homeownership Initiative NOFO? How many points can an Applicant receive for this Preference Point category?

Answer: According to the Homeownership Initiative NOFO Preview, to receive Preference Points related to MSIs, an Applicant, or, if applicable, its Subgrantees, must either:

- Be designated as an MSI, or
- Propose one or more partnerships with an MSI.

An Applicant, or its Subgrantees, designated by the U.S. Department of Education as an MSI will receive up to two Preference Points when the application includes documentation of the Applicant's status as an MSI.

An Applicant, or its Subgrantees, partnering with an MSI will receive up to two Preference Points when the application includes a Letter of Commitment certifying that a partnership is in place and signed by an authorizing official of the MSI, and documentation of the college or university's status as an MSI.

Applicants cannot receive more than two points for this Preference Point category.

See the definition of MSI in Section I.A.4. and Section V.A.2. of the Homeownership Initiative NOFO Preview for detailed information about the MSI Preference Points.

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Section 5. Grant Reporting Requirements

5.1 What are the recordkeeping and reporting requirements for the Homeownership Initiative NOFO?

Answer: Housing counseling grant recipients are required to submit several reports over the course of the grant period. These reports include Grant Activity Reports (GARs) quarterly electronic submissions of the HUD-9902 in the Housing Counseling System, and a Final Report. GARs include reporting elements reflecting performance goals, objectives, and accomplishments related to the federal award. Mandatory reporting requirements will be detailed in the Grant Agreement.

See Section IV.F.2., *Reimbursement Requirements*, and Appendix B, *Draft Homeownership Initiative Statement of Work* of the NOFO Preview for detailed information.

Additionally, funding received under this NOFO is subject to all OMB Guidance and government-wide regulations applicable to federal financial assistance programs. See [2 C.F.R. Part 200](#), [archived webinars on the HUD Exchange website](#), and the Grant Agreement (if funds are awarded) for further details on requirements related to grant recipients' use of federal funding.

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5.2 Are Grantees required to report Homeownership Initiative NOFO households on the HUD-9902?

Answer: The pre-purchase and post-purchase housing counseling activities that occur to complete the unit components must be reported under the "All HUD Funded Activities" column of the HUD-9902. Additionally, similar to the column dedicated to activities attributed to the Comprehensive Housing Counseling (CHC) grant, there will be a unique column on the HUD-9902 that will be dedicated to reporting activities attributed to the Homeownership Initiative grant.

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5.3 Does the Homeownership Initiative NOFO have the same reporting requirements as the Comprehensive Housing Counseling (CHC) grant?

Answer: No. Applicants should refer to the information that is listed in the Grant Activity Report (GAR) section of the Draft Homeownership Initiative NOFO Statement of Work in Appendix B of the NOFO Preview. A final version of the Statement of Work will be provided in the Grantees' award packages.

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