



ASNH Homeownership Program Manual

Fiscal Year 2026 (FY26)

Updated July 2025

For the FY26 fall round:

- The deadline for Fall 2025 submissions is August 29, 2025, at 11:59 p.m.
- All program agreements must be executed by November 1, 2026
- All program agreements will expire on November 1, 2028

FY26 Sources and Amounts	
SOURCE OF FUNDS	FY26 ALLOCATION ¹
HOME Investment Partnerships Program (HOME)	\$8,473,517
Virginia Housing Trust Fund (VHTF)	\$77,964,422
Housing Innovations in Energy Efficiency (HIEE)	\$56,338,214

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¹ Allocation amounts listed are approximate for the fiscal year and may subject to change, based on any returned funds, adjustments to formula allocations, earned interest or program income.

Program Overview – Background

This Manual is intended to provide guidance on funding availability and limits, as well as the application and decision notification process for the FY26 ASNH application cycle.

For guidance on applicant and project eligibility and program and regulatory requirements, please see the *ASNH Program Guidelines*.

If you require information, please contact DHCD staff for assistance.

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Program Year Available Funds

For the **2025-2026** program year (**Virginia FY26**), the sources and approximate amounts allocated to the ASNH Program are below. DHCD reserves the right to update these funding amounts during the program year, and the right to roll over funding to future program years at its sole discretion.

Per project and per source maximums awards apply, with further details below and under Project Competitive Funding Limits. DHCD reserves the right to restrict total funds awarded to a project.

SOURCE OF FUNDS	FY26 ALLOCATION ²
HOME Investment Partnerships Program (HOME)	\$8,473,517
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Project Competitive Funding Limits

Prior to FY24, if an Applicant requested a total of \$1,400,000 across two sources of funds, and DHCD only had the financial capacity to award a single source of funds, partial awards would be issued with the expectation that the Applicant would reapply in a future round if the total funding were still required.

DHCD has responded to stakeholder feedback by adjusting its process to avoid multiple rounds of competitive applications. If a Project scores high enough to be funded, DHCD will award the full ask from alternate competitive sources the Project is eligible for.

In FY26, an applicant may request up to \$700,000 of Virginia Housing Trust Fund and an additional \$700,000 of an eligible federal source (HOME Investment Partnerships), for a maximum total request of \$1,400,000 in competitive sources.

At time of application, the project must be eligible for the requested federal source(s) based on the income targeting requirements of that program while not exceeding the HUD maximum investment limits for the number of proposed eligible unit types. The maximum subsidy limits are in the next section of this manual and in the Application Workbook attachment.

To summarize, an applicant may request:

- \$700,000 of the Virginia Housing Trust Fund
- \$700,000 of an eligible federal source (HOME Investment Partnerships)
- For a total of \$1,400,000 in competitive sources

A project that is designed to meet the HIEE minimum performance requirements and requesting a competitive source is eligible for an award of up to \$2,000,000 or ten percent (10%) of its total construction costs as calculated in the ASNH Application Workbook “Sources and Uses” tab, whichever is the lesser amount.

- \$2,000,000 – Maximum HIEE award for an eligible project
- \$3,400,000 – Maximum total awarded funds for an eligible project requesting HOME, VHTF, and HIEE

Homebuyer Project Subsidy Limits

Based on the above, **for both homebuyer and rental projects**, the maximum investment of HOME or NHTF funds, the limits **effective April 2024**, are calculated as follows:

Bedrooms	Base	HCP limit Cap	Max Subsidy
0	\$75,620	240%	\$181,488
1	\$86,687	240%	\$208,049
2	\$105,414	240%	\$252,994
3	\$136,372	240%	\$327,293
4+	\$149,693	240%	\$359,263

Homebuyer projects are additionally limited by the HUD maximum allowable sale price in its development jurisdiction and by the financial and underwriting determinations of the

Homeownership Team. DHCD recommends a pre-application technical assistance call to determine the best funding request for homebuyer projects.

The final number of assisted units in a project will be determined by DHCD during underwriting. Selected projects will always be assisted with the minimum amount of funds needed, as demonstrated by the underwriting and subsidy layering review.

Application Eligibility Thresholds

In addition to all federal program requirements included in the **ASNH Program Guidelines**, homeownership projects must meet the following threshold requirements at time of application to be considered eligible for funding:

All applicants must complete and submit with their application a Phase I Environmental Site Assessment (ESA). **DHCD will accept a Phase I ESA produced in the last two calendar years of the time of application.** If the Phase I ESA is over two calendar years old, DHCD may consider a Part 58 or National Housing Trust Fund ERR Checklist in addition to the invalid Phase I ESA for eligibility.

- A Phase I ESA is valid for 180 days from the date of the report but may be used for up to one year if updated in accordance with ASTM and EPA requirements. For more information, visit the EPA's All Appropriate Inquiries Rule.

All applications must be complete at the time of submission and must include the following required attachments:

- ASNH Application Workbook – template provided
- Application Certification – template provided
- Zoning Certification – template provided
- Affirmative Marketing Plan – template provided
- Uniform Relocation Assessment – template provided
- Environmental Phase I
- Market Study
- Property Status Documentation
- Resource Documentation
- Community Land Trust Documentation – if applicable

Application Submission and Evaluation

All applications for Affordable and Special Needs Housing (ASNH) must be submitted through DHCD's [Centralized Application and Management System](#) (CAMS) prior to the application submission deadline.

**The deadline for Fall 2025 submissions is August 29, 2025, at 11:59 p.m.
CAMS automatically closes the application for submissions at this time.**

The CAMS [User Guide](#) provides information and instructions on setting up and managing a CAMS account, and should be used first to troubleshoot any errors. Please allow up to two business days for responses to any CAMS Help Desk request. DHCD technical assistance is limited to normal

business hours. Applications submitted with incorrect or missing information will be reviewed *as is and* may be ruled ineligible.

Applications must be submitted by the primary partner in the Project, which is responsible for long-term operations and compliance. Applications made by a project legal entity or limited liability corporation are ineligible and will not be accepted or scored.

Applicants with outstanding or unresolved findings from audit or monitoring findings, unresolved IRS findings, unresolved compliance findings – including those issues which may be identified to DHCD by another previous partner such as Virginia Housing (VH) –, or which are not in compliance with previous DHCD agreements will not be eligible for a funding commitment for any Project until such findings and/or compliance issues are resolved. DHCD staff are committed to working with any interested party to develop a plan for the resolution and restoration of eligible status.

All ASNH applicants must be in compliance with the Agency Audit Policy at time of application. If you have questions about the audit policy, please contact DHCD staff.

Application Review

DHCD has the discretion to utilize a cure period for technical deficiencies. If the application has technical deficiencies, staff will notify the Applicant's Primary Contact of the deficiency and the length of the cure period.

DHCD conducts panel reviews of all Applications submitted in CAMS prior to the submission deadline. During this panel review, the Application is first screened to ensure the Project and Applicant meet the eligibility requirements. Projects or Applicants which do not meet eligibility requirements are not provided with a numerical score.

After DHCD screens all applications to determine eligibility and completes the cure period, DHCD will release a “**Funding Round Overview**” on the ASNH webpage. The **Funding Round Overview** will include the total number of applications received and the total amount of funding requested. No other information regarding the application round will be provided until the Notification of Funding Decision by the Office of the Governor of Virginia.

Scoring Criteria

Applications are scored on a one hundred (100) point scale, and Projects must score sixty (60) points or higher to be qualified for funding.

Scoring criteria are as follows:

- Need – 40 points:
 - The Applicant demonstrates through narrative responses and information in attachments that the Project fills a critical need in the market area.
 - For rental projects only, PSH projects receive points (5) in this category.
 - For HOME funds only, projects in non-Entitlement or non-Consortium localities receive points (5) in this category.
- Feasibility – 30 points:

- The Applicant demonstrates through narrative responses and information in attachments that the Project is likely to come to a timely completion.
- Developer Capacity – 30 points:
 - The Applicant demonstrates through narrative responses and information in attachments that the development team has the ability to successfully complete projects and deliver affordable housing.
 - For HOME funds only, CHDO-involved projects receive points (5) in this category.

DHCD staff will rank all qualified Applications based on score. The highest-scoring Applications from each round will receive offers of funding from DHCD, up to the amount requested in the Application as available based on per-project caps, and remaining funds for allocation through the ASNH Program. These offers are preliminary awards and are contingent upon the Applicant meeting certain requirements as outlined in the **ASNH Program Guidelines** and in the source-specific letter of award offer.

DHCD reserves the right to retain any funds offered during an application cycle or program year as unallocated, and such unallocated funds will carry forward to future application cycles and program years as allowed.

Notification of Funding Decision

The Office of the Governor of Virginia makes the Affordable and Special Needs Housing program funding award announcements public, typically by the publication of a press release.

After the ASNH Program application cycle closes, DHCD staff are unable to answer inquiries as to the timing or contents of this announcement. Any such inquiries will not be returned.

Following the public announcement of ASNH Program awards, DHCD staff will notify each project's Primary Contact, as listed in CAMS, via email. This notification will include either an award confirmation or a notice of denial.

Applicants whose projects are not funded may request a one-on-one technical assistance or debriefing session to receive specific feedback on their application.

Applicants with awarded projects are required to participate in an onboarding conference call. Details regarding this call, along with the terms letter(s), will be sent to the Project Primary Contact via email.

Reapplication Policy

In FY26, DHCD will not accept applications for “top off” funding or additional sources for a currently funded project. Any prior awardee must formally return a prior award by email to DHCD staff before submitting a new application.

Execution of Award Terms

Applicants receiving a notification of awarded funds for Projects are considered preliminarily qualified. For each source awarded, the notification of awarded funds comprised of two documents. The first document is a letter of award, which will be signed by the Senior Deputy

Director of Community Development and Housing. The second document will contain additional terms of the awarded funds and detailed program requirements (including environmental review processes). This *terms letter* must be countersigned by the Applicant and returned to DHCD staff prior to the issuance of a Program Agreement.

DHCD's expectation is that all Applicants requesting ASNH funds are prepared to return executed *terms letter(s)* in a timely manner. Applicants which delay the return of an executed terms letter without communicating with their assigned Program Administrator may not be eligible for an extension of time to complete the Program Agreement.

Execution of Program Agreement(s)

Applicants have twelve (12) months from the date the application closes to complete all program requirements and execute the Project's Program Agreement. This window of time is intended to allow both Applicants and DHCD to complete necessary processes which may have predetermined time requirements, such as Applicant underwriting review or DHCD public notice and comment periods.

For FY 2025, all program agreements must be executed by:

- Fall 2025 Round: November 1, 2026

The Program Agreement is a formal commitment of funds, and a prerequisite to Deeds of Trust and remittance eligibility for homeownership projects. Program requirements vary by source but may include an environmental review process with public comment periods as required by HUD, and program agreements cannot be issued until all contingencies and program requirements are met.

ASNH Program Agreements expire three years from the date the application closes, by which time the Project should be completed and ready to submit closing disclosures on final home sales (homebuyer projects). Written requests for extensions of any deadline above must be received by DHCD before the expiration of the agreement or commitment and are approved on a case-by-case basis at DHCD's discretion.

For FY 2026, all program agreements will expire on:

- Fall 2025 Round: November 1, 2028

Homeownership Narrative Questions

1. Please note that DHCD-approved CHDOs (Community Housing Development Organizations) receive scoring preference for ASNH funding. Does this applicant have current DHCD CHDO status? If so, please confirm that the most up-to-date CHDO qualification documents have been submitted to CAMS in the CHDO Certification application.
 - If the applicant wishes to be recognized as a DHCD CHDO, certification must be approved by DHCD before the application deadline.
2. Provide an overview of the proposed development project, including the following:
 - Whether the development is new construction and/or renovation/adaptive reuse,
 - The number of units, including the number of bedrooms and bathrooms,

- **For new construction**, please describe the planned building and any on-site amenities (e.g. a community space, recreation areas, etc.),
 - **For rehabilitation and adaptive reuse**, please describe the scope of renovation work.
3. Please provide details about the community amenities near the project site. This should include information about job opportunities (not required for senior/elderly developments), transportation options, retailers, grocery stores, public parks or green spaces, and hospitals/urgent care centers. Please specify the distance from each amenity to the development in your response. Please also describe how the scope of the development blends in with the community.
 4. Describe the local housing need this project will address, including the need for proposed income targeting and unit sizes. Please reference data collected through the attached Market Study, provider or beneficiary surveys, or other resources where appropriate.
 5. Describe any community engagement or participation in this project.
 - **For new construction or adaptive reuse projects**, describe ways in which the surrounding community was made aware of the project and any community or stakeholder involvement in the planning process.
 - **For rehabilitation and adaptive reuse projects**, describe resident notification of the planned renovations and their involvement in the planning process.
 6. The Uniform Relocation Act (URA) applies to all projects where development activities will result in permanent or temporary dislocation of households, businesses, farms, and/or nonprofits. Please indicate whether this project will or will not result in any permanent or temporary dislocation, and ensure this response matches the statements made on the required URA attachment. For projects that do not result in formal dislocations, but which will utilize measures such as hospitality suites, please give an overview of those planned measures, including resident notifications.
 7. Describe how the scope of the proposed development blends in with the surrounding community. All applications are required to complete the "**Site and Neighborhood Standards Review**" tab of the **Application Workbook** attachment. For projects located in an area that is not considered a 'low minority of poverty concentration,' please explain how the project site is an area of revitalization, identified by the locality as targeted for development or investment, or otherwise holds opportunity for residents.
 8. Describe any financial education programs, and/or HUD-approved homeownership preparation courses offered to potential buyers. Please include the names of agencies providing homeownership counseling and any relevant MOUs/contracts.
 9. Please describe how residents of this project can access broadband or high-speed internet. Will the home come pre-wired for this service? Documentation of will-serve letters or proof of availability is recommended for inclusion in an Optional Attachment.
 10. Will this project be certified as green built by a third party to the standards of EarthCraft Gold or higher, Enterprise Green Communities, LEED, or National Green Building

Standard Silver or higher, or will it include green building features without certification? Please attach any documentation to certify the above.

11. Will this project meet or exceed HIEE performance requirements? For renovation and adaptive reuse projects: Please describe the steps to meet the HIEE “Additional Requirements” for the project type. **HERS rater plan review and preliminary rating documentation is an attachment required for funding eligibility.**
12. Please describe the received or pending funding sources. **If they have been approved, please attach the approval letters or a copy of the confirmation letter you received from the entity under the “Resource Documentation” section.**
13. Projects that receive funding from this application cycle must sign program agreements by **November 1, 2026** (1 year from application) and are expected to complete construction for final home sales by **November 1, 2028** (3 years from application). Please explain any obstacles or challenges to meeting these milestones and discuss any deviation from these dates on the submitted timeline.
14. The applicant must be the primary partner in the project and will be responsible for long-term operations and compliance. Please describe the specific role the applicant will have from project development through the twenty-year affordability period. If there are partners involved, and the applicant is not the owner, please describe their roles, and financial soundness, and explain the applicant's relationship to the project LLC or ownership entity, if applicable.
15. Briefly describe the Applicant’s development experience with this type of project, noting previous use of ASNH-awarded funds. If the Applicant has other projects currently in development, list those projects (noting those that have an award of ASNH funds) and provide the status of these projects including whether the project is currently on time for delivery. If you are applying for additional funding for a project with a prior ASNH award, please be specific about the changes in the timeline from the last application.
16. **For Community Land Trust Models (if applicable)**, please explain the developer's and land trust entity's partnership, operational history, and experience selling and managing community land trust properties. If any projects were not completed, please explain why. Please attach any MOUs or agreements between the entities.
17. Has the project received city or county zoning approval? If the project is part of a larger subdivision plan, has the rezoning been approved by the Planning Commission and/or Board of Supervisors? If yes, please provide documentation as an attachment. Also, have the building specification plans been approved by the Planning Commission and/or Board of Supervisors? **Please note that projects must have zoning and subdivision plat approval at the time of application to be eligible for funding.**
18. Does the Applicant organization already have a waitlist or pool of qualified buyers? How many potential buyers have been qualified by the agency? Describe how the Applicant

plans to ensure a pipeline of buyers is available so that each completed unit will have a ratified sales contract within six months of an issued Certificate of Occupancy (CO).

19. Please provide the proposed income targeting of the Project, the anticipated sales price (approximate per home or by square foot), and the local median sales price for similar homes (approximate per home or by square foot). Describe why the proposed sales price and size of the homes are suitable for the Project market area.
20. Will down payment assistance or closing cost assistance from a source other than ASNH funds, or zero-/low-interest mortgages be available to buyers in the proposed development? What is the source of these funds or financing? **Funding commitment letters must be included in the Resource Documentation attachment.**
21. Please describe the applicant's typical affordability requirements for home sales, including the use of community land trusts (CLT) or equity-sharing models. Also, explain the affordable pricing methodology and resale formula calculation that will be used, so the seller can receive a favorable return on their investment. DHCD recommends documentation of these requirements be uploaded as an Additional Attachment. **Please note if applying for a Community Land Trust project, a pre-application call must be scheduled prior to submitting an application. VHTF is the only eligible primary funding source available.**
22. Please describe accessibility features of the proposed homes, including any use of visitability or Universal Design features, or additional accommodations made to prospective homebuyers.
23. The ASNH-awarded funding is secured by a restrictive covenant called a Deed of Trust placed on each parcel in the Project and is structured as a deferred loan with funds available at pre-determined construction and completion milestones. No funds are available for remittance until an executed deferred loan agreement and a copy of the recorded Deed of Trust are returned to DHCD. At the time of sale to a qualified buyer, DHCD requires a second Deed of Trust and Promissory Note recorded to enforce the affordability period and resale restrictions from DHCD's investment. Does the Applicant request any changes to or require prior approval for these terms? If yes, please justify the deviation. Changes to typical terms are approved by DHCD on a case-by-case basis and are not guaranteed.

Application Attachments

Required Attachments:

- ASNH Application Workbook – template provided
- Application Certification –template provided
- Zoning Certification –template provided
- Affirmative Marketing Plan – template provided
- Uniform Relocation Assessment –template provided
- Environmental Phase I
- Market Study
- Property Status Documentation

- Resource Documentation
- HIEE Eligibility Documentation (required for HIEE only)
- CHDO Certification (required only if DHCD CHDO)
- Ground Lease (required for CLT only)

Optional Attachments

- Part 58 or HTF Environmental Provisions
- Green Build Documentation