Homekey 2.0: Requesting a Wire Transfer for Acquisition

Purpose
““The Department is committed to disbursing Homekey funds in a timely manner. To avoid any expenditure delays, funds may be issued directly to an escrow company that has been approved by the Department if the full award is toward acquisition. The Applicant shall identify the name and address of the escrow company, the name of the escrow officer, the escrow number, and any other information requested by the Department” Homekey Round 2 NOFA, Section 402

This document provides guidance on how to submit a Request for Funding form in the event that acquisition funds are to be wired directly to escrow. You can contact your Representative directly or through the Homekey2SGM@hcd.ca.gov address.

Wire Request Form and Title Instructions
In addition to the standard requirements for pre-disbursement (please refer to your pre-disbursement expectations letter), you will also need to send the following to your Grant Management Representative:

- Wiring Instructions from your Title Company, including the Funding Date (date by which funds must be deposited into escrow).
- A “Wire Transfer Request” form, provided by HCD to be filled out by the Title Company and signed by both the Escrow Officer and the Grantee’s authorized signatory. This form will be provided to you as soon as it is known that you are requesting a wire. (please note: this form contains instructions to fax back to the Department, please ignore this and email the completed form to Homekey2SGM@hcd.ca.gov)

It is highly advisable to notify your Grant Management Representative before your Standard Agreement is executed that you will be requesting a wire so that the Department can provide you with all necessary instructions and materials for your Title Company in advance.

Submitting Two Separate RFF Forms

Only the full award amount for acquisition can be wired to an escrow. If you are requesting your full award amount upfront, including amounts for any other eligible uses such as operating subsidy, rehabilitation, or purchase of covenants, you will need to submit two separate RFF forms.

One form will be a standard RFF with the Grantee’s contact and payee information. In the “Expenditure Breakdown,” you will fill in award amounts for all eligible uses awarded in your Standard Agreement, but only request the funds for the non-Acquisition categories that cannot be wired. The other form should contain the Payee information for your Title Company and only reflect the acquisition amount. The next several pages contain visual examples to help guide you as to how each form should be filled out:
The payee information for your non-acquisition funds should match what is on the TIN or STD 204 you submitted at application. If you submitted multiple TINS/204s for co-applicants, input the information for the entity named as the Payee in the Standard Agreement.

### RFF # 1 Sample – Everything but Acquisition

#### HOMEKEY 2.0 PROGRAM REQUEST FOR FUNDS (RFF) FORM

<table>
<thead>
<tr>
<th>HCD Contract Number:</th>
<th>21-HK-00000</th>
<th>RFF Number:</th>
<th>1</th>
<th>Date:</th>
<th>2/17/2022</th>
</tr>
</thead>
</table>

- **Project Sponsor:** CA Department of Housing and Community Development
- **Authorized Representative Name:** John Doe
- **Payee/ Escrow Company Name:** CA Department of Housing and Community Development
- **Payee Contact Person/Escrow Officer:** John Doe
- **Payee Email:** john.doe@hcd.ca.gov
- **Total Award for Capital Costs:** $1,000,000.00
- **Total Homekey Awards:** $1,500,000.00

#### Notes:
- Funds may be issued directly to an approved escrow company if the full award is for acquisition per NOFA §462.
- Expedited Occupancy Conditional Bonus Award: $0.00

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Prepared by the State Grants Management Branch  
Division of State Financial Assistance
Include the award amount for acquisition, even though you will not be requesting a draw-down on this form.

Input your requested draw amounts by eligible use into the right-hand column. The amount for Acquisition should be “0” on this form.

The “Total” Award Amount should match the “Total Homekey Award,” (except if there is an expedited occupancy bonus that has not yet been met)

Check your Standard Agreement to ensure that this is the total amount you are requesting to have sent directly to the Payee entity named in the first section.
In the first section of the Acquisition RFF, everything should remain the same except for the Payee name and contact information. There must also be an escrow number included.

When submitting two separate RFFs at once, it doesn’t matter which is #1 or #2, but they should be numbered as 1 and 2.
This time, the draw amount requested will be the acquisition amount only. Input “0” for awarded categories that are not being requested for wiring (e.g. funds already requested in the first RFF).

You will still include award amount for all categories on the left column, even for the amounts not being wired to escrow.

Even if you are submitting both RFFs at the same time, your second should assume that your first has been approved, so the correct balance remaining is reflected. It doesn’t matter which order you submit the wire and non-wire requests, as long as whichever is #2 has the amount requested from #1 in the “Previously Approved Amount” column.

Check your Standard Agreement and make sure that this is the correct amount to be wired to your Title Company.

<table>
<thead>
<tr>
<th>Eligible Use</th>
<th>Award Amount</th>
<th>Total Draw Amounts</th>
<th>Draw Amount Requested This Period</th>
<th>Total Drawn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition or rehabilitation of motels, hotels, or hostels, or other sites and assets</td>
<td>$ 1,000,000.00</td>
<td>$ 1,000,000.00</td>
<td>$ 1,000,000.00</td>
<td>100.00%</td>
</tr>
<tr>
<td>Master leasing of properties for non-congregate housing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conversion of units from nonresidential to residential</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Construction of Dwelling Units</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of affordability covenants and restrictions for units</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Relocation costs for individuals who are being displaced as a result of the Homekey project</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HCD Award: Capitalized operating subsidies for units purchased, converted, constructed or altered</td>
<td>$500,000.00</td>
<td>$500,000.00</td>
<td>$</td>
<td>100.00%</td>
</tr>
<tr>
<td>Expedited Occupancy Conditional Bonus Awards: Capitalized operating subsidies for units purchased, converted, constructed or altered Please note: this amount cannot be disbursed until evidence of full occupancy by the 9 month deadline has been submitted</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL: (Expedited Occupancy Bonus amount not included until condition is fulfilled)</td>
<td>$1,500,000.00</td>
<td>$</td>
<td>$1,000,000.00</td>
<td>66.67%</td>
</tr>
</tbody>
</table>