



Neighborhood Landlord Rental Program Frequently Asked Questions

1. When will applications be taken for this program?

The Notification for Funding Availability (NOFA) for this program was released on May 15, 2017. Applications will be received from that time through the NOFA deadline.

2. When will applications be due?

The deadline for application submittal is June 16 and awards will be announced July 3.

3. Who will be eligible for funding?

- Community Housing Development Organization ("CHDO")
- 501(c)(3) or 501(c)(4) Not-For-Profit Organization ("NPO")
- Local Public Housing Authority ("PHA")
- A local development agency ("LDA") that is not a parish or municipality

4. A private for-profit property owner ("Residential Rental Property Owner")

5. What types of structures will be funded?

Must be a site-built, modular or manufactured home structure with no more than 7 units. Properties with more than 7 units contained within a single structure are not eligible under the program. Manufactured homes are eligible for replacement, not repair, under this program.

6. What if you have 16 units under one roof?

At this time, there isn't a rental program available to fund 8-19 units under one roof.

7. Why are properties larger than 7 units being excluded from this program?

The focus is on providing maximum impact with the small amount of funding that is available, and the policies that were developed were created in order to create the maximum amount of rental housing units quickly.

8. Will awards be in the forms of loans or grants?

Financial assistance will be provided in the form of a loan for permanent financing ("Take-out Commitment") to take out the construction financing necessary for reconstruction, rehab and new construction of properties with 7 or less units. The loan may be fully forgiven at the end of the affordability term if the eligible applicant complies with all tenancy and affordability requirements for the term of the affordability period. Because this loan is not granted until the construction has been completed on the property, an income eligible tenant has been identified and a lease has been signed, the applicant must obtain a bank loan or arrange for other financing for new construction, reconstruction, or repair in the interim. This means an applicant must either partner with a pre-qualified commercial lender who commits to provide the applicant construction financing and/or fund all development costs with the applicant's own funds for all construction monitored by the LHC. An applicant using non-borrowed funds to finance construction must submit to the LHC a closing docket and arrange to commence construction financing.

The Take-out Commitment will occur on the conversion date, which is the date of initial occupancy by an eligible (low income) tenant following completion of construction or

renovation of a residential housing unit. All assisted units will be restricted to affordable rents during an agreed-upon affordability period.

9. What is the maximum amount of assistance that will be provided?

Financial assistance will be provided for eligible unmet needs, after deducting all duplicative assistance such as NFIP proceeds, SBA loans, etc. Eligible applicants may apply for assistance not exceeding \$1.5 million in total, and no eligible applicant may submit more than three (3) complete applications comprising of no more than 7 units on each application.

10. If I repaired my rental property using my own funding and a tenant is already living in it, will I be eligible for reimbursement under this program?

No, not at this time. Current program limitations do not allow for reimbursement in this program. The program focus is on creating additional housing stock for residents who have no available rental options.

11. Will additional dollars be made available once these funds are expended?

Additional funds would have to come through another Congressional Appropriation for flood relief. Governor Edwards has made securing additional funding from Congress a priority so that as many residents as possible can receive assistance for damages from the 2016 floods.

12. After application and if accepted when would we receive funds to complete our repairs?

Landlords will be reviewed for eligibility for the program and the program will determine the eligible award amount for a property after completing a scope of work and duplication of benefits review. If approved, the landlord will receive a contingent award letter evidencing LHC's commitment to make a loan for permanent financing to take out construction financing necessary for the proposed project. Landlords are required to use their construction financing to complete the repairs or reconstruction of their damaged properties.

13. We currently have an SBA loan. The funds are not enough to complete the repairs needed to the manufactured home. Can we apply for a loan which will complete the repairs and pay off the SBA loan?

As required by federal law, an SBA loan is considered to be a duplication of benefits with the funds available through this program. Therefore, when calculating the amount a landlord is eligible to receive, the SBA loan will be deducted from the amount a landlord is eligible to receive from the program. These funds cannot be used to pay down SBA loans. However, if there is a gap in the scope of work to repair or reconstruct the property, then funds from this program can be used to fill that gap for reconstruction or repair to a structure. Keep in mind that for manufactured homes, the program will only be able to provide funding to assist with replacement, not repair costs.

14. Are properties that were located outside the Special Hazard Flood Zone and did not have flood insurance eligible to participate in this program?

Yes. A key goal of this program is to assist rental property owners who suffered damage and did not have flood insurance because they were not located in a flood zone and were not required to carry coverage.

15. Are properties that were located within the Special Hazard Flood Zone and did not have flood insurance eligible to participate in this program?

Those properties are ineligible for this program, however on June 1st, the City of Baton

Rouge/ Parish of East Baton Rouge launched its *Baton Rouge Rebuilds* and *Baton Rouge Rebuilds Developer* programs under which properties either inside or outside of a Special Flood Hazard Area are eligible for assistance. The website for the City/ Parish's programs is located at <http://www.lhc.la.gov/page/flood-recovery-programs>.

16. What are the 10 most impacted parishes?

Acadia, Ascension, East Baton Rouge, Lafayette, Livingston, Ouachita, St. Tammany, Tangipahoa, Vermilion, and Washington parishes were determined to be the 10 most impacted and distressed parishes by the U.S. Department of Housing and Urban Development, which is the source of this funding.

17. Can the application deadline be pushed back to allow more preparation time for landlords?

No not at this time. The timelines were put in place to ensure funds are awarded in a timely manner.

18. Is the funding intended for hard construction costs only? Does it cover soft costs such as marketing, etc.?

The following constitute Eligible Costs:

Development hard costs - Development hard costs are the actual cost of constructing or rehabilitating housing.

Related soft costs - Other reasonable and necessary costs incurred by the owner or LHC and associated with the financing or development (or both) of New Units or Existing Units assisted with CDBG Funds.

19. Can non-profit applicants include the cost of acquisition in their application for these funds? Can these dollars be used for acquisition?

Program funds cannot be used for acquisition. Non-profits are permitted to acquire property with intent to develop or repair so long as they can demonstrate ownership at the time of application submission; other eligible applicants must already own the property prior to application (and must have owned the property at the time of the flooding events of March and/or August 2016).

20. Can the property be outside of a city's city limits?

The property can be located within one of the 51 federally declared parishes. Keep in mind that 80% of the funding must be used within the top 10 impacted parishes (see #13 above).

21. Can an applicant designate the final units as available only to elderly and/or disabled tenants, and if so, will that affect the scoring process?

The Landlord Program is being administered as "first come first serve" and applications will receive a time stamp at the time a completed application is submitted. A complete application must be received by LHC in order to be considered for funding. The first 80% of the funds must be spent on projects located in the top ten most impacted parishes. All projects will be reviewed for completeness and eligibility. To date there will be no scoring component in the evaluation of applications.

22. If the property is designated for Section 8 vouchers, is that considered a duplication of benefits as the tenant is already benefiting from federal funding?

No, this will not be considered a duplication of benefit, though the landlord cannot charge the tenant more than the allowable prescribed rent depending on the number of bedrooms in the structure.

23. Is this program only for rehabilitation/repair projects?

No. Non-profits could convert an empty lot into a new affordable rental structure in this program.

24. Will environmental reviews be required for construction performed in this program, and if so, who will coordinate?

Yes. Environmental reviews will be required and these will be coordinated and funded through LHC; it is capped at unit maximums.

25. How long will the environmental reviews take to conduct?

Environmental reviews will occur as projects are deemed ready to proceed in lending process.

26. What entity assures the note is paid off?

LHC will pay the take-out assistance to the construction lender on the conversion date pursuant to the Take-out Commitment, and limited to the allowable cap per structure tier.

27. Must applicants provide property inspections themselves?

A qualified borrower is responsible for obtaining all applicable building permits and inspections leading to obtaining a certificate of occupancy and/or final inspection. These items, including a passed program inspection, will be a prerequisite to close on any property constructed or rehabilitated through the LNLRP Initiative. Property Inspections should be performed by a licensed contractor.

28. How will applications be scored?

The Landlord Program is being administered as "first come first serve" and applications will receive a time stamp at the time a completed application is submitted. A complete application must be received by LHC in order to be considered for funding. The first 80% of the funds must be spent on projects located in the top ten most impacted parishes. All projects will be reviewed for completeness and eligibility. To date there will be no scoring component in the evaluation of applications.

29. Is there an application fee?

No.

30. If a for-profit organization owned the land at the time of the floods, would an infill project qualify?

No.

31. Has a designated lender or lenders been chosen?

No. You may use any bank offering construction loans. LHC has reached out to many financial institutions. A list of banks that have expressed interest are listed on the LNLRP website. LHC's outreach to and conversations with lenders are ongoing.

32. Can a 501(c)4 participate?

Yes.

33. Are political subdivisions or entities created by the legislature such as Redevelopment Districts eligible?

Yes.

34. What does it mean that this is an open, noncompetitive process?

The Landlord Program is being administered as "first come first serve" and applications will receive a time stamp at the time a completed application is submitted. The first 80% of the funds must be spent on projects located in the top ten most impacted parishes.

All projects will be reviewed for completeness and eligibility.

35. Have affordability timeframes and AMI tiers been decided? Do owners make payments on the loan during the affordability period?

Qualified households must occupy the residential housing units on and after the Conversion Date for a period of five complete calendar years. All residential housing units following completion must be occupied by households at or below eighty percent ("80%") of area median income ("AMI"). For Qualified Projects with more than four residential housing units, the LNLRP Initiative will require a specified number of set aside units ("Set-aside Units") to be occupied by Qualified Households with lower household incomes based upon the number of residential housing units in a Qualified Project and for an Affordability Period as specified below:

| Residential Housing Units | Qualified Household Incomes | Set-Aside Units | Affordability Period |
|----------------------------------|------------------------------------|---------------------------------|-----------------------------|
| 4 or fewer units | 80% AMI and below | None | five (5) years |
| 5 units | 80% AMI and below | One (1) for 50% AMI Household | five (5) years |
| 6 units | 80% AMI and below | Two (2) for 50% AMI Household | five (5) years |
| 7 units | 80% AMI and below | Three (3) for 50% AMI Household | five (5) years |

The owner does not make payments on the loan during the Affordability Period time, and as long as they fulfill the agreement in terms of the Affordability Period and tenant requirements, the loan can be forgiven at the end of the period.

36. What is the total maximum number of units that could be eligible?

The total number of units per applicant that could be eligible for this program funding is 21 single family structures. Properties with more than 7 units contained within a single structure are not eligible under the program. A maximum of 7 units per up to three applications may be submitted.

37. Is there a cap on the number of awards per parish or municipality?

No. However, 80% of the funding must be spent on the ten (10) most impacted parishes as defined by HUD (see #15).

38. Are the 10 parishes prioritized by the number of persons impacted?

HUD's determination of most impacted parishes includes data analysis used to estimate unmet needs in three main categories of damage: housing, economy and infrastructure.

39. Are Davis-Bacon requirements in place for 1-7 units on this project?

No, they are not.

40. Can a for-profit buy land and put units on it in this program?

No. For-profit owners must have owned the units at the time of the flooding event.

41. If only some of the units in a structure are vacant, is the entire structure ineligible?

No. The units that are vacant and have been vacant are eligible.

42. What are the bonding requirements?

This program does not contain a bonding requirement; this may be a requirement of the construction financing lender.

43. Is this a leverage situation, or 100% funding required?

The intent of the program is to have a completed structure with an eligible tenant occupying upon completion. This can be done by providing all funding through a construction loan, SBA, NFIP, or other private funds to complete.

44. If a project has 7 units and some are completed and tenants occupy them before others, does a portion of the funding become available or must the funding wait for the entire structure to be completed and occupied?

This depends if you've obtained construction financing on each property or if it's a blanket construction loan. If you've obtained construction financing on each property LHC can take the lender out upon completion as long as there is no 1st lien on the property. If there is a lien LHC will have to wait for an eligible tenant to occupy the property before LHC can take out the financing.

Effect of Lien Position of Permanent Loan on Conversion Date

Permanent Loan in Senior Lien Position: If the Permanent Loan is in the senior lien position, the Conversion Date will be the later of (i) the date a certificate of occupancy of the Qualified Project is delivered to the Construction Lender and the LHC and (ii) the date the Construction Lender receives payment in full pursuant to the Take-out Commitment. Occupancy by a Qualified Household must occur not later than 90 days from the Conversion Date.

Permanent Loan in Subordinate Lien Position: If the Permanent Loan is subordinate to a third party permanent lien lender, the Conversion Date will be delayed until all residential rental units in the Qualified Project is occupied by a Qualified Household.

45. Will lenders work with owners who cannot get a construction loan?

Lenders have not communicated to LHC a willingness to be more lenient in their loan requirements.

46. What does site control look like for acquisition if non-profits can purchase property?

This depends on if the non-profit obtains construction financing. If the non-profit has obtained construction financing, the lender may control the construction process.

47. If you have begun the repair work, are you forced to stop work upon application?

If you have a signed contract and have begun work, you can continue work as long as there are no changes to the contract after the application is submitted to the LHC.

48. What if you have a lien on the property? Are you able to apply?

Yes.

49. Is there a deadline on how long you have to complete the property and get it occupied?

The landlord will be required to sign a commitment form indicating the time in which the property will be completed. This timeline has not been established.

50. It is understood that LHC encourages using Flood Recovery Funds in combination with other sources. Do you know if Flood Recovery Funds can be combined as part of a Tax Credit project?

At this time, there are no tax credits available for this program. If more funds become available, that may be an option that will be considered.

51. What is the allowed duration between the issuance of the Letter of Commitment from LHC to the 501c's acquisition a Certificate of Occupancy?

The allowed duration has not been defined at this time, but this would be a reasonable

amount of time for the amount of work that is needed. LHC would review the scope of work for cost reasonableness and we would also take into consideration the amount of time projected for the work to be completed.

52. Can I build a new single family home in place of the substantially damaged home?

If a property is substantially damaged, it is eligible for reconstruction.

53. Are there any set asides/is there any priority for CHDOs?

No. No application will receive priority consideration based on applicant type.

54. If the program is over-subscribed, how will allocations be made?

The Landlord Program is being administered as "first come first serve" and applications will receive a time stamp at the time a completed application is submitted. The first 80% of the funds must be spent on projects located in the top ten most impacted parishes.

55. Is there a preference for landlords who owned properties before the floods?

No. Landlords who are not non-profits are required to have owned the properties at the time of the floods. No application submitted by a non-profit will receive preferential consideration based on whether or not their property was acquired before or after the floods.

56. Can I refinance recently obtained Rural Development Loans?

You can use this LHC program to fill a gap not covered by Rural Development loan program.

57. What is a Capital Needs Assessment?

The "Capital Needs Assessment" requirement has been eliminated from the Neighborhood Landlord Rental Program and instead requires a "scope of work" to include needed appliances.

58. I notice there have been changes (to the program presentations.) Is it not possible to develop raw land for affordable units?

The primary objective of this program is to get damaged units back online. However, yes, a nonprofit can do this if they own the land at the time of submitting application.

59. What feedback have banks offered?

LHC has reached out to many financial institutions. A list of banks that have expressed interest are listed on the LNLRP website. LHC's outreach to and conversations with lenders are ongoing.

60. Must the unit be vacant?

Yes. In order to be eligible for the LNLRP Initiative, all the units contained in the application must have been vacant by February 14, 2017. A landlord may not intentionally displace a tenant prior to application in order to apply to the program.

61. What if the owner remediated a flood damaged unit (removing waterlogged materials and preventing mold) – Can this program still assist?

If you have not already entered into a fully executed written construction contract to repair your property, and work has not begun, you may not start the repairs or begin construction until you receive from the LNLRP a Notice to Proceed indicating compliance with environmental review requirements. Failure to comply with these requirements may result in ineligibility for the LNLRP.

If you have already entered into a fully executed written construction contract to repair your property and work has begun, that work may continue, however no amendments or change orders to that contract are allowed until you receive from the LNLRP a Notice to Proceed indicating compliance with environmental review requirements. Failure to comply with these requirements may result in ineligibility for the LNLRP.

62. Who approves the funding draws?

Lenders have 3rd party inspectors to approve the draw-down of funds.

63. Must we use one of the three listed banks?

No. You may use any bank offering construction loans. LHC has reached out to many financial institutions. Few have responded, however there is a list of banks that have expressed interest are listed on the LNLRP website. LHC continues to try to recruit more participating banks.

64. Can we match funds with other programs? If so, other programs require environmental clearance prior to funding commitment. Can LHC funds be made available prior to commitment for environmental clearance only?

No, not at this time.

65. Understand that this lack of environmental clearance precludes many organizations - such as CHODOs using HOME funds, nonprofits using CDBG funds, and housing authorities – from purchasing properties. Also, your application deadline is too soon. It is not possible for a nonprofit to identify, clear, and close on a property prior to LHCs application deadline.

It is the primary objective of these programs to get flood-damaged units back online. Funding is so limited for the entire state that we anticipate it will be used up for repair of damaged units alone. We hope additional funds can be made available for new construction of affordable housing.

66. We believe a rule exists which prevents a nonprofit utilizing Federal funds from committing to land purchase without first securing funds to fully construct the dwelling units.

Program funds cannot be used for acquisition

67. In the case of for-profit developers, must the unit have sustained damaged during the great floods and the for-profit developer had to have owned the property at the time of the flood?

Yes. At least one of the units had to sustain damage from one of the flood events, and the for-profit entity had to own the property at the time damage was sustained.

68. Can a national-based (non Louisiana) not-for-profit entity apply?

Yes.

69. What if a Federally funded property is still operating under tenant eligibility requirements different than those required by LHC for these programs?

LHC will subordinate their eligibility requirements to those of the existing public funding program requirements.

70. It would be advantageous if LHC would ease the property ownership requirement: to require that the applicant have only an "option to purchase" a property at the time they apply for LHC construction funds. This would be similar to the NSP program.

This program is primarily intended to repair and restore flood-damaged units and place them back into commerce; it is not intended as a new construction program.

71. Can an owner and contactor be the same individual or related to one another?

Yes, so long as 3 comparative bids plus the actual contractor's bid, for a total of 4 bids, are obtained.

72. Can a non-profit organization partner with a for-profit organization?

Only for construction

73. Can the owner and the son of the owner be 2 of the required 4 bids?

No. The 3 comparative bids should be from arm's length contractors who have no relationship with the owner.

74. Concerning providing evidence that my project is not in a special flood hazard area, should I submit an elevation certificate or print-out from the LSU Ag Center website?

We will accept both. There is fee to obtain an elevation certificate however you can obtain a print-out from the LSU's Ag Center free of charge.

75. Can we submit a construction quote or do we need an official bid?

A construction quote will suffice.

76. How do we submit the architect plans?

Architect plans can be mailed to LHC. For electronic submission, try to reduce the plans as much as possible.

77. In order to evidence an organization's ownership at the time of application, should the submitted financial statements name the applicant non-profit?

Yes.

78. Concerning the Green Building Retrofit Checklist, are applicants to required to certify that they will follow energy efficiency and green building practices.

Yes.

79. Will the system through which applications are submitted accept multiple applications? For example, one agency is helping several nonprofits complete and submit applications.

The system will accept 3 applications per registered email address.

80. Can we use any financial institution of our choosing?

Yes.

81. A developmentally disabled person lives in a unit, are they eligible to be a tenant?

Yes, the only requirement is the AMI income limits for the tenant. Disability income can be used to qualify for income.

82. Do the rent and utility allowances include solar?

No. HUD does not take into consideration solar as part of the allowances.

83. The NOFA references Green Building techniques. What are they?

HUD has developed a checklist of construction and rehabilitation practices in order to promote and encourage the use of energy efficiency and green building practices. Many of the green building practices HUD encourages have become standard in residential construction, and many property owners will be familiar with them and have possibly used them in other projects. A link to HUD's Green Building checklist is provided in the Required Application Documents in the Flood Resources section of the LHC website.

84. Are the Green Building Techniques the same as LEED certification?

No. LEED is a certification provided by the US Green Building Council that developers seek voluntarily. LEED certification is not a requirement for projects funded through either the Multifamily Restoration Loan Fund or the Neighborhood Landlord Rental Program.

85. If a property was completely destroyed during the floods and must be reconstructed, is this considered rehabilitation or new construction?

As long as the property maintains the same footprint it had prior to the floods, it will be considered rehabilitation.

86. Since the monies are available on a first-come, first-served basis, will LHC notify applicants once all funds are obligated?

Yes.

87. The application refers to requiring a Lead Paint Certification. How is this obtained? Who pays for this?

For properties built prior to 1978, a Lead Paint Certification is required. There are private firms who provide this certification in almost every community.

88. Must applicants have financing in place from a lender at the time of application?

If you have financing approved from a lender at the time of application, documentation evidencing this commitment must be included with your application. However, a contingency letter of intent to fund from your lender is also sufficient.

101. If I have specific questions, whom at LHC can I contact?

Questions concerning the Neighborhood Landlord Rental Program may be directed to disasterrecovery@lhc.la.gov or you may call 1.888.454.2001/225.763.8700 to speak with LHC program staff.

89. What if I have a copy of a Proof of Loss Report from the National Flood Insurance Program. Could this be used in lieu of a Capital Needs Assessment/Property Condition Assessment?

The "Capital Needs Assessment" requirement has been eliminated from the Neighborhood Landlord Rental Program and instead requires a "scope of work" to include needed appliances. Proof of Loss will be required for LHC's performance of a duplication of benefits analysis.

90. Is it sufficient for a nonprofit organization to have site control—but not actual ownership--of a property at the time of submitting application?

No. The nonprofit organization must own the property at the time it submits an application.

91. Is there or will there be any type of assistance for landlords that owned rental properties that were damaged by the flood in August 2016 and these properties were not covered by flood insurance?

Properties that were not covered by flood insurance and that are located outside of a Special Flood Hazard Zone are eligible under this program. See answer 15.

92. What is the required lender commitment for the Rehab Loan prior to submittal of completed application to LHC for approval (i.e., pre-approved, approved, funded)?

A letter of intent from the lender subject to the award of state funds.

93. What are the guidelines for LHC approval of the submitted application?

The Landlord Program is being administered as "first come first serve" and applications will receive a time stamp at the time a completed application is submitted. The first 80% of the

funds must be spent on projects located in the top ten most impacted parishes. In order to have a completed application, you must submit all of the necessary documents that are listed in our Guidelines. These documents will be reviewed by LHC to determine if all of the requirements have been met, cost reasonableness and to ensure funding has been secured. LHC will then provide a commitment letter to the applicant in order to proceed with construction.

94. Was there any discussion/agreement between LHC and interested lenders about relaxed loan qualification guidelines?

Yes, LHC did have a discussion with numerous lenders during a conference call on May 12th, however, we did not discuss the lenders being more lenient in their loan requirements.

93. Is the "Sources and Uses of Funds" form required for Rehab Loans?

Yes, the Sources and Uses of Funds is a requirement for both rehab and new construction.

94. Is the "Pro Forma Calculation" required for Rehab Loans?

Yes. The Pro Forma Calculation section of the application should be completed for both new construction and rehab projects.

95. Is the "5 Year Pro Forma Calculation" required for Rehab Loans?

Yes. The 5 Year Pro Forma Calculation section of the application should be completed for both new construction and rehab projects.

96. If the property is currently uninhabitable/vacant is there a need to complete the "Family Utility Allowance"?

Yes. The eligible applicants are required to outline whether or not they intend to allow utility allowances. Please utilize the Utility Allowances found on the Landlord program webpage <http://www.lhc.la.gov/page/neighborhood-landlord-program> located under "Allowable Tenant Rents and Utility Allowance by Parish/ City"

97. If the property is currently uninhabitable/vacant, and therefore not generating revenue is there a need to complete "Input Actual Rent" data?

This section is required; applicants are required to indicate how the unit will be rented during the affordability period based on tenants AMI. You would only be required to rent to 50% if you had a structure with more than 5 units. Otherwise, the only section you would complete in that section would be the 60-80% portion.

98. Is Demolition an eligible cost?

Demolition is an eligible cost under a qualified reconstruction project.

99. Page 6 of the LNLRP NOFA states that, "the appraised value of the property post-completion may not be less than the combined loan-to-value of the Permanent Loan plus any loan with a lien senior to the Permanent Loan as of the Conversion Date."

Since some of this flooded housing is located in areas whose values have decreased significantly after the flooding, will LHC be conducting appraisals to determine the max LNLRP award prior to construction? If not, how will the agency deal with a situation in which an LNLRP award is allocated, construction is completed and the post construction appraised value is less than anticipated? Example: Landlord applies for \$150,000 to rehab a single family house with no other debt on it, LHC approves the full \$150,000 award, Landlord completes the renovation for \$150,000, but the appraisal comes back at \$125,000. Will the LHC then only make a \$125,000 Permanent loan and then the Landlord would be forced to find an additional \$25,000 loan that will sit in

junior position to the CDBG award?

LHC will accept an appraised value of housing that is the **higher** of either (i) the as-completed appraised value of the residential housing certified by a Lender financing the renovation or (ii) the higher fair market valuation of the residential rental housing used by the assessor for assessment purposes in either the year of the flood or in the year immediately preceding the flood.