



HOUSING OPPORTUNITY FUND

2025 ANNUAL REPORT



BUILDING SOUTH DAKOTA WITH THE HOUSING OPPORTUNITY FUND



HISTORY OF THE HOUSING OPPORTUNITY FUND

In 2013, the legislature proposed and passed SB 235 as a way to finance economic development in South Dakota. One component of the bill established the Housing Opportunity Fund to preserve and expand sustainable, affordable and safe housing in communities throughout the state.

Currently, the Housing Opportunity Fund is funded through bond volume cap fees, program income, interest earnings, an approximately \$1 million annual appropriation from the State's budget and a \$1.5 million match contribution from South Dakota Housing.



ADMINISTRATION OF THE HOUSING OPPORTUNITY FUND

South Dakota Housing (SDH) and the SDH Board of Commissioners are responsible for the administration of the Housing Opportunity Fund (HOF). HOF funds and program income are awarded through a application process in accordance with the HOF allocation plan.

Housing opportunities financed by HOF serve individuals and families at or below 115 percent of the Area Median Income (AMI) for the corresponding county. SDH distributes HOF funds geographically throughout the state with 30 percent of the funds targeted for cities with a population of 50,000 or more and the remaining 70 percent to the rest of the state.



ELIGIBLE USES OF THE HOUSING OPPORTUNITY FUND

HOF funds may be used for new construction or the purchase and rehabilitation of rental or homeownership housing, housing preservation, including home repair grants and grants to make homes more accessible to individuals with disabilities, homelessness prevention activities, downpayment assistance and community land trusts. Any for-profit entity, nonprofit entity, tribal government, housing authority, political subdivision of this state or agency of such subdivision, or agency of this state is eligible to apply for funding.



RESULTS OF THE FISCAL YEAR 2025 APPLICATIONS

In FY2025, more than \$2.6 million in funding was awarded through two application cycles—program funding on August 30, 2024, and development project funding on June 30, 2025. Of the total amount awarded, \$741,264 supported housing programs, while \$1,940,025 went toward development projects.

Twenty-one percent of the funds supported rental housing; 52% supported homeownership and 28% percent funded housing programs such as downpayment assistance, homeowner rehab or homelessness prevention.

As a result of these investments, 43 new single family homes and four multifamily units will be constructed; 12 rental units will undergo rehabilitation; 25 future homeowners will receive downpayment assistance; 67 at-risk families will receive support to secure or maintain housing; and 36 homeowners will receive forgivable loans for critical home repairs.

HOF BY THE NUMBERS



**Total Developments
Funded**
12



**Total Programs
Funded**
9



**Total Units
Created**
59



**Total Financing
Awarded**
\$2,681,289



**Total Development
Costs**
\$11,967,268

FISCAL YEAR 2025 PROJECTS FUNDED



Single Family New Construction

\$1,383,525

Lemmon Avenue, Lot C

\$96,525

New construction of a home in Rapid City for homebuyers at or below 80% AMI

2025-2026 Seubert Avenue

\$200,000

New construction of two homes in Sioux Falls for homebuyers at or below 70% AMI

3206 & 3208 N. Americus Circle Twinhome

\$150,000

New construction of a twin home in Sioux Falls for homebuyers at or below 70% AMI

3218 & 3220 N. Americus Circle Twinhome

\$114,000

New construction of a twin home in Sioux Falls for homebuyers at or below 70% AMI

HAPI Infill Lots

\$220,000

New construction of 11 homes in Aberdeen for homebuyers at or below 80% AMI



Multifamily New Construction or Rehab

\$556,500

LifeScope Churchill Home

\$73,500

Rehabilitation of a group home serving 12 young adults with special needs at or below 115% AMI in Sioux Falls

South Calumet Townhomes Part 4

\$333,500

New construction of a twin home for rental in De Smet. One unit will serve tenants at or below 115% AMI for Kingsbury County

TLAD Phase 2 DakotaPlex Project

\$149,500

New construction of a twin home for rental in Timber Lake. One unit will serve tenants at or below 115% AMI for Dewey County



Homebuyer Assistance

\$241,176

Black Hills Area Habitat for Humanity

\$55,688

Assistance for five homeowners at or below 80% AMI for Pennington County

GROW South Dakota

\$55,688

Assistance for five homeowners at or below 115% AMI for Rapid City and Sioux Falls

Neighborhood Lending Services

\$129,800

Assistance for 15 homeowners at or below 115% AMI for western South Dakota



Homelessness Prevention

\$110,688

Inter-Lakes Community Action Partnership

\$55,688

Assistance for seven households at or below 30% AMI for Sioux Falls

Rural Office of Community Services

\$55,000

Assistance for 60 households at or below 115% AMI for eastern and south central South Dakota



Homeowner Rehab

\$389,400

Beadle and Spink Enterprise Community

\$75,350

Assistance for ten homeowners at or below 80% AMI for Beadle, Spink and Kingsbury Counties

Black Hills Area Habitat for Humanity

\$54,450

Assistance for ten homeowners at or below 80% AMI for Pennington County

Inter-Lakes Community Action Partnership

\$129,800

Assistance for nine homeowners at or below 50% AMI for eastern South Dakota

Northeast SD Community Action

\$129,800

Assistance for seven households at or below 80% AMI for eastern and south central South Dakota



📍 PO Box 1237
3060 E Elizabeth St
Pierre, SD 57501

📞 605-773-3181
📠 605-773-5154

