



Loan Announcements from [NeighborWorks Capital](#)

Helping make the vision of community a reality.

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Over the past several months the NeighborWorks Capital (NC) Lending Team has traveled across the country to learn about NeighborWorks organizations' financing needs. In addition to meeting with some of you in person or by phone the team attended several forums hosted by NeighborWorks America including the National Real Estate Meeting in Atlanta, Executive Leadership Symposium in DC in April, the CFO Convening in Los Angeles in May, the CHAM convening in Columbus in June, the Executive Peer Convening in Denver, and Asset Management Training in Denver in August.

Jennifer, Sarah and Steve have summarized several key takeaways from these conversations:

- **Lending relationships are important to your success,**
- **Familiarity, predictability and speed of execution are critical**

And some of the things the Lending Team wants you to know:

- **We are here to brainstorm with you –**
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Customer Profile: Charlotte Mecklenburg Housing Partnership (CMHP)
Project: Atando Apartments
Location: Charlotte, North Carolina
District: Southern
Website: <http://www.cmhp.org/>
Loan Amount: \$400,000
Loan Type: Predevelopment
Loan Description:



This is NC's 10th loan with Charlotte Mecklenburg Housing Partnership (CMHP). The Housing Partnership is requesting a \$400,000 predevelopment loan from NC to complete predevelopment activities for the construction of Atando Apartments, a 130-unit general occupancy rental apartment project to be built at CMHP's Brightwalk development. This is the final affordable housing project for this master plan redevelopment project and the **!** The project has been awarded a \$10 million bond allocation and 4% LIHTC, NC's source of repayment.

The property will include four three-story apartment buildings of which one building will incorporate the 3,100 square foot clubhouse and have 79 three-bedroom and 51 two-bedroom units, all with two full baths. Of these units, five of the two-bedroom and eight of the three-bedroom units will have restricted rents amounting to 50% of the Mecklenburg County area median income (AMI). In addition, 46 of the two-bedroom units and 71-of the three-bedroom units will have rents at 60% of AMI.

Customer Profile: AHC
Project: St. James Place
Location: Alexandria, Virginia
Loan Closed: November 3, 2015
District: Southern
Website: <http://www.ahcinc.org/>
Loan Amount: \$6,500,000
Loan Type: Interim Development



This is AHC, Inc.'s 3rd loan with NeighborWorks Capital. AHC requested a \$6,500,000 Interim Development Loan to finance the acquisition of 5000-1 Echols Avenue, a 3.12 acre site in Alexandria, Virginia. The property has been rezoned and subdivided to permit the development of 225 units in two multifamily buildings. On the western parcel, AHC will develop, own, and operate a 93 unit 9% LIHTC project. AHC has received a reservation for tax credits and financing commitments from the City of Alexandria. Shortly after closing AHC will issue an RFP for debt and equity investors with a targeted

equity and construction closing in Fall 2016. The project will have 3 efficiency units, 12 1-bedroom, 66 2-bedroom, and 12 3-bedroom units with rents from 40% to 60% of AMI.

Customer Profile: CHIP
Project: Fox Run 2
Location: Cottonwood, California
Loan Closed: August 28, 2015
District: Pacific
Website: <http://chiphousing.org/>
Loan Amount: \$1,200,000
Loan Type: Interim Development



1492 Front Elevation

This is Community Housing Improvement Program (CHIP) 1st loan with NeighborWorks Capital. CHIP requested an interim development loan from NC of \$1,200,000 to refinance acquisition and cover site development costs for the Fox Run 2 project which is

new construction of 24 units of single-family self-help housing in Cottonwood, California. CHIP was referred to NC by Rural Communities Assistance Corporation, CHIP's long-time lender for this type of financing. Buyers will be applicants to the USDA 502 Mutual Self-Help program serving people at or below 70% of the Area Median Income (AMI).

Customer Profile: A Community of Friends (ACOF)
Project: Huntington Square
Location: Huntington Park, CA
Loan Closed: August 19, 2015
District: Pacific
Website: <http://www.acof.org/>
Loan Amount: \$2,010,000
Loan Type: Interim Development

Loan Description:



This is ACOF's 2nd loan with NeighborWorks Capital. ACOF requested a \$2,010,000 Interim Development Loan request from a first-time borrower, A Community of Friends (ACOF). The loan will be used for the acquisition of land associated with the new construction of a mixed-use project consisting of 55-units of affordable special-needs rental

housing and 10,000 SF of commercial/retail space located in Huntington Park, CA. The project will

be built on a 0.77 acre site. All units will be targeted to households earning 50% of the Area Median Income or less. The commercial/retail space is anticipated to be a neighborhood-serving eating establishment or potential retail or service-oriented use.

Customer Profile: Asian Americans for Equality
Project: Hardesty Renaissance - Building 1
Location: Kansas City, MO
Loan Closed: June 30, 2016
District: Midwest

Website: <http://aafe.org>
Loan Amount: \$5,900,000
Loan Type: Acquisition



This is AAFE's 4th loan with NeighborWorks Capital. AAFE requested a \$6,500,000 site acquisition and predevelopment loan for 36 months at 5%, to acquire the remaining piece of an 18 acre redevelopment site in Northeast Kansas City, MO. Building 1 will provide up to 300 apartments for low-income households and 200 apartments for students and faculty. Later development stages will include business incubator space and commercial space for local nonprofits focused on community revitalization. AAFE has executed a Memorandum of Understanding with Northwest Missouri State University (NWMSU) for the university to lease an adjacent property (Building 11) to use for classrooms, offices, light manufacturing, laboratories, and a 70,000 SF rooftop "farm".

Customer Profile: Mutual Housing of Greater Hartford
Project: Summit Park II
Location: Hartford, Connecticut
Loan Closed: June 3, 2016
District: Northeast
Website: <http://www.mutualhousing.org/>
Loan Amount: \$500,000
Loan Type: Predevelopment

This is NC's sixth loan request from MHA of Greater Hartford (MHAGH) of \$500,000 to help with predevelopment costs for Summit Park II, a proposed scattered-site 62-unit low income housing tax credit (LIHTC) apartment project on two sites that MHAGH has under contract in Hartford, CT.

One of the sites has an operating property for which the second site consists of two adjacent parcels – one is vacant and one has an abandoned building on it that will be demolished. LISC is providing acquisition financing for this second site. The project will include a mixture of 1-, 2-, and 3 bedroom units, and it will target households with incomes ranging from 30% to 60% of Area Median Household Income.

Expanding Financing Solutions for NeighborWorks Organizations

NeighborWorks Capital is pleased to announce revised financing terms for all of our loan products to better meet the needs of our customers. We have listened to you and these changes reflect NC's continued commitment to supporting the evolving project financing needs of the NeighborWorks network. We are pleased to highlight the following changes to all our lending products:

- ⊙ Pre-Development Loans – Higher loan amount up to \$500,000 on an unsecured basis. Fixed interest rate remains a low 4.50%.
- ⊙ Interim Development Loans – For land purchase, property acquisition, construction/renovations, or bridge. Higher loan amount up to \$5,000,000 by NC and \$10,000,000 in participation with other CDFIs.
- ⊙ NEW Multifamily Line of Credit – For acquisition and construction. Maximum line amount of \$7,500,000 by NC and \$15,000,000 in participation with other CDFIs. Up to 5 year term with a 2 year draw period.
- ⊙ Single Family Line of Credit - For land and property acquisition and construction. Maximum line of \$3,000,000 by NC and \$5,000,000 in participation with other CDFIs. Initial 1 year term and ability to revolve based on project pipeline.
- ⊙ Small Multifamily Permanent Loans – loan terms up to 18 years with amortization up to 30 years. Loan amounts up to \$2,000,000 and fixed interest rate starting at 5.75%.

More information about the NeighborWorks Capital expanded suite of financing solutions is available at <http://neighborworkscapital.org/lending/loan-products>

NeighborWorks Capital's products provide flexible lending options to assist our customers from project concept to completion. With low fees and closing costs, rapid turn-around and fixed interest rates, NeighborWorks Capital is ready to meet your borrowing needs. We are also able to provide Letters of Interest and Commitment Letters for project proposals and funding applications!

Let us know how we can assist you with your financing needs or project pipeline, please contact:

Jennifer Balkcom, Chief Lending Officer

jbalkcom@neighborworkscapital.org

Phone at 301-789-6856 or 240-821-1651 ext.204

Sarah Geis, Senior Loan Officer

sgeis@neighborworkscapital.org

Phone at 240-821-1651 ext. **206** or Mobile at **240-595-1561**