



## Loan Announcements from NeighborWorks Capital


Helping make the vision of community a reality.

[View this email in your browser](#)

### TABLE OF CONTENTS

- [!\[\]\(30a147af384f9f71632c2ff17bc706c8\_img.jpg\) \*\*NC Financing assists Neighborworks Organizations across the Country\*\*](#)
- [!\[\]\(9b33568d5c136f08ca688ce48be37574\_img.jpg\) \*\*Nuestra Comunidad - Alaska Street Townhomes\*\*](#)
- [!\[\]\(8c93063dab026f10e159986b27c41c64\_img.jpg\) \*\*Fifth Ward CRC - Lyons Village Apartments\*\*](#)
- [!\[\]\(8a17676a8da87a4e59299223a765e613\_img.jpg\) \*\*TNDC - 500 Turk Street\*\*](#)
- [!\[\]\(f7fdc7cc047b770fc5fdd2c2137c07d9\_img.jpg\) \*\*LIHTC Financing\*\*](#)
- [!\[\]\(3ca549f0313858650ddae522dc3cfea6\_img.jpg\) \*\*Recent Property Milestones\*\*](#)
- [!\[\]\(b6026cac39735f17b6ea8953e5327900\_img.jpg\) \*\*NTI - Seattle\*\*](#)

---

 2016 was another successful year that brought several new and expanded lending opportunities to assist NeighborWorks organizations across the country. The Lending Team originated 23 loans totaling \$43 million that will create or preserve more than 3,500 affordable for-sale and rental homes and leverage over \$600 million in construction and permanent financing. Each loan was tailored to meet the specific needs of that project - a key trait of NC's approach to lending. As you read more about some recent loans please be reminded that we see your challenge as our opportunity!

We want to hear from you about your financing questions or project challenges. We can brainstorm with you and provide feedback, ideas and lending solutions. More information about the NeighborWorks Capital's financing solutions are available [here!](#)

---

## 📍 Nuestra Comunidad - Alaska Street Townhomes

**Customer Profile:** Nuestra Comunidad  
**Project:** Alaska Street Townhomes  
**Location:** Roxbury (Boston), Massachusetts  
**Region:** Northeast  
**Website:** <http://www.nuestracdc.org/>  
**Loan Amount:** \$844,000  
**Loan Type:** Single Family Construction



This is NeighborWorks Capital's fourth loan with Nuestra Comunidad. Nuestra requested a construction loan of \$844,000 to finance predevelopment and construction for two traditionally designed townhomes. Nuestra has owned the site for 15 years and due to their community development work the neighborhood market conditions support the development of unsubsidized for-sale homes in Roxbury. This aligns

with Nuestra's community plan of developing homeownership opportunities targeted to a broad range of incomes, including homes for working families at incomes of up to 115% of AMI.

---

## 📍 Fifth Ward CRC - Lyons Village Apartments

**Customer Profile:** Fifth Ward Community Revitalization Corporation  
**Project:** Lyons Village Apartment  
**Location:** Houston, Texas  
**Region:** Western  
**Website:** <http://www.fifthwardcrc.org/>  
**Loan Amount:** \$1,400,000  
**Loan Type:** Small Property Permanent

This is NeighborWorks Capital's first loan to Fifth Ward CRC. Fifth Ward requested a Small Property Permanent Loan to refinance its first LIHTC project that had recently exited the tax credit partnership. Lyons Village is a mixed-used property with 24 four bedroom apartments and 8 commercial units built in 1998. Apartments are rent restricted to 50% AMI and the commercial spaces provide affordable spaces for small businesses in the community.



NC's loan provided an 18-year amortizing loan at a fixed rate for Lyons Village – refinancing a higher rate bank loan, repaying a General Partner loan and capitalizing a replacement reserve to fund property repairs and improvements. Due to the small loan size, mixed-use of property and need for a large amount of capital investment many small banks do not offer these favorable terms.

---

### ♥ TNDC 500 - Turk Street

**Customer Profile:** Tenderloin Neighborhood Development Corporation (TNDC)  
**Project:** 500 Turk Street  
**Location:** San Francisco, California  
**District:** Pacific  
**Website:** <http://tndc.org/>  
**Loan Amount:** \$3,900,000  
**Loan Type:** Land Acquisition

TNDC's first loan from NeighborWorks Capital was used to purchase a commercial lot in downtown San Francisco to construct a 122-unit apartment building for low-income and homeless individuals and families. This newly constructed project will include 25 apartments at 15% AMI, 49 units at 50% AMI and 48 units at 60% AMI. Total development costs will be \$77 million with permanent financing including tax-exempt bonds and 4%



LIHTC and significant subsidies from the City of San Francisco. NC participated with lead CDFI lender Enterprise Community Loan Fund. The total loan amount for

the land acquisition was \$12.25 million, which also included \$1.84 million from the Golden State Acquisition Fund which provided top loss capital to the transaction.

---

## ♥ MEETING THE CHALLENGES IN THE CURRENT LIHTC MARKET

From our inception in 2000 NeighborWorks Capital has been working with NeighborWorks organizations to provide predevelopment, acquisition, construction, and equity bridge financing of multifamily housing. That requires a deep understanding of the primary permanent financing program, the Low Income Housing Tax Credit (LIHTC). Over 80% of our current and historical loans are for multifamily projects.

With the recent changes in administration at the federal level there are potential changes to corporate tax rates which could impact the pricing of LIHTC. The NC team is participating in industry discussions and network webinars and chat groups to understand the current equity markets and customer needs. We are reaching out to current borrowers that are using the LIHTC program for their permanent financing. Further, as network members are evaluating their financing options or funding gaps we invite you to contact us to see how we may be able to assist. While we hope that the LIHTC pricing and availability becomes more certain in 2017 NeighborWorks Capital remains committed to supporting current and future projects.

---

## ♥ CUSTOMER MILESTONES

### **Nuestra Comunidad starts construction on Phase 1 of Bartlett Place in Roxbury (Boston)**



Construction has begun on the first building at Bartlett Place and will include 60 apartments affordable to families earning a range of incomes. A grocery store on the ground floor will offer new food shopping options in the neighborhood, focusing on locally sourced, fresh, healthy, and organic items. NC provided a property acquisition loan for the master

development plan, in subordinate position to MBTA, the regional transit authority in 2011.

### **Mutual Housing of Greater Hartford celebrates the renovation Park Terrace Apartments**



This fall Mutual Housing completed the renovations of this historic block of apartments in the Frog Hollow neighborhood of Hartford, Connecticut. The 42 apartments received energy efficient appliances and replaced windows and heating systems to lower tenant utility costs. NC's loan was used for predevelopment and renovations costs and a portion of the loan will be repaid over seven years.

### AHC breaks ground on St. James Plaza in November



St. James Plaza is in Alexandria, Virginia and will transform property previously owned by the St. James United Methodist Church into 93 new affordable apartments adjacent to market-rate townhomes. NC's \$6,500,000 acquisition loan in late 2015 secured the parcel for both projects so AHC could apply for LIHTC funding and undertake zoning changes to subdivide the parcel for higher- density affordable apartments and market rate townhomes.

---

## NeighborWorks Training Institute in Seattle



Join NeighborWorks Capital at the Training Institute on February 20-24 in Seattle to enjoy breathtaking scenery and vibrant examples of local community development at work. **If you would to discuss your financing needs or project pipeline, please contact:**

**Steve Peelor, Chief Lending Officer**  
[speelor@neighborworkscapital.org](mailto:speelor@neighborworkscapital.org)

Office 240-821-1651 ext. 206 or  
Cell at 240-595-1561

---



A member of the **OPPORTUNITYFINANCE** NETWORK 

Visit us at [www.neighborworkscapital.org](http://www.neighborworkscapital.org).

Our mailing address is:

NeighborWorks Capital  
8484 Georgia Avenue, Suite 330  
Silver Spring, MD 20910

[Add us to your address book](#)

[unsubscribe from this list](#) [update subscription preferences](#)

