

Rental Rehabilitation/ Construction Loan Program



Solution-Oriented Financing & Services

Neighborhood Lending Partners (NLP) provides flexible, innovative and solution-oriented financing and services that renew and rebuild inclusive and sustainable neighborhoods. NLP has assisted the underserved populations in Florida for over 25 years. Certified in 1997, NLP received the CDFI designation in the first year of the program. With the expansion of NLP to Georgia, it will continue to provide flexible financing for affordable housing and community development. NLP offers a variety of loan programs and services that revitalize and bring holistic stabilization to neighborhoods.

NLP has financed more than 13,000 residential units of housing, both single-family and multi-family, as well as commercial properties and small businesses for loans totaling more than half a billion dollars. Many of NLP's loans include multiple sources of funding to provide leverage necessary to make the transactions financially viable. The properties are located throughout the States of Florida and Georgia, and provide affordable housing for families, farm workers, individuals with special needs, and low income individuals.

Neighborhood Lending Partners (NLP) announces this program to aid not for profit agencies to rehabilitate or develop rental residences for households under 50% and 80% of the median income.

This program has flexible terms, below market rates, and a streamlined application process.

This program is available in Florida and Georgia. For more information, contact Senior Vice President George Romagnoli at (813) 879-4525, or email at gromagnoli@nlp-inc.com

Questions and Answers:

What Kind of Agency Eligible for funding?

This program is available for not for profit agencies that own rental properties that principally serve populations under 50% and 80% of the area median income (AMI). This program is available in both Georgia and Florida. Agencies that want to participate must have a history of managing and/or developing properties, and have a proven track record of success and capability.

What is this Program?

This program will provide small loans for repairs and deferred maintenance issues on rental properties. Up to \$15,000 will be available for properties that are restricted to households under 50% AMI, \$10,000 for properties that are restricted to units under 80% AMI. These funds can also be used for construction of new units, or additions to existing units. Funds can be leveraged with public and private sources.

What Properties are Eligible for this Program?

Single family, duplex and multi-family properties are eligible for this program. Manufactured housing is not eligible. There is no maximum or minimum value of the property. A minimum of five units must be assisted, but they can be scattered site properties.

Who can live in the properties?

Initial or current residents must have incomes that are below 50% or 80% AMI for the applicable SMSA. Their income is allowed to grow beyond that level after the initial year, but new residents must have incomes under the allowable median incomes. Initial rents must also be affordable to households at that income level. If their income grows, the rent must be affordable to that income level. This income and affordability requirements shall exist for 10 years.

What are the Loan Terms?

- Loan Term of up to 15 years
- 1% origination fee
- Flexible draw requirements
- Interest-only payments during construction
- Sub-market interest rates of 2-3%
- \$15,000 will be available for properties that are restricted to households under 50% AMI, \$10,000 for properties that are restricted to units under 80% AMI.
 - *Funds can be pooled towards individual units. For example, if there were 5 low income units, so \$50,000 could be borrowed, \$40,000 could go towards 1 unit, and \$10,000 could go the other 4.
- An additional \$2,000 shall be borrowed per unit, which could cover the origination fee, closing costs, and loan payments until exhausted. (in effect that makes payments deferred for 17-21 months)

Funds shall be secured by mortgage, note, and land use restriction. If funds are available, once the loan is paid off, another loan from NLP can be obtained on the property.

For more information, please go to our website at www.nlp-inc.com, or call us (813) 879-4525.

