

Community Lending: Community Development Lending Resources



Twin Cities
Community Land Bank

Building Neighborhoods
Strengthening Communities

Loan and Grant Products Chart

Financing Programs	Description	Eligible Borrower	Type of Property/ Project	Source of Repayment	Collateral	Disbursements	Loan-to Value	Term	Rates & Fees
Foreclosure Recovery Loan Program (FRLP)	Loan funds used for acquisition and rehab of distressed property, in turn stimulating neighborhood revitalization.	For-profit Developers	Single family & multifamily	Sale (single family) or sale/refinancing (multifamily) of property; mini perm for multifamily	1st mortgage lien on real estate and loan guaranty	Up to 8 including initial draw	95% of total development cost	30 months (24 months for draws, additional 6 months for repayment)	7% interest, 1% origination fee on property closings
Nonprofit Neighborhood Recovery Loan Program (NNRLP)	Loan funds used for acquisition and rehab of distressed property, in turn stimulating neighborhood revitalization. Uses NSP/CRV and other subsidy funding accepted.	Nonprofit Developers	Single family & multifamily	Sale (single family) or sale/refinancing (multifamily) of property; mini perm for multifamily	1st or 2nd mortgage lien on real estate	Up to 8 including initial draw	50% of total development cost	30 months (24 months for draws, additional 6 months for repayment)	6.5% interest, 1% origination fee on property closings
Acquisition Loan Program	Loan funds used for acquisition and land banking distressed property, in turn stimulating neighborhood revitalization.	For-profit or Nonprofit Developers	Single family & multifamily	Developer's financing	1st or 2nd mortgage lien on real estate (corresponds w/FRLP or NNRLP)	N/A	N/A	Up to 12 months	Either 6.5% or 7% interest (corresponds w/FRLP or NNRLP)
New Housing Construction Loan Program	Loan funds used for acquisition and construction, in turn stimulating neighborhood revitalization.	For-profit or Nonprofit Developers	Single family & multifamily	Sale (single family) or sale/refinancing (multifamily) of property; mini perm for multifamily	1st mortgage lien on real estate	Varies	TBD	Up to 24 months	6.5% - 7%, 1% origination fee
Mini-Perm Loan	Loan funds used for term loans for rehabbed properties, in turn stimulating neighborhood revitalization.	For-profit or Nonprofit Developers	Multifamily	Sale or refinancing of property	1st mortgage lien on real estate	N/A	<80% of value	Up to 5 years	6.5% interest, 2% origination fee
Homebuyer Assistance	Loan funds (\$5-\$10K) used for homebuyer assistance for families at 80% AMI, administered by Build Wealth MN (www.buildwealthintl.org).	Homebuyers	Single family	Due on sale or at maturity of first mortgage	Subordinate mortgage lien on real estate	100% at closing	N/A	Up to 30 years or due on sale	0% interest/ No fee
Commercial Loan Program	Loan funds used for strategic acquisition, rehab, and/or new construction along transit or commercial corridors that link to distressed neighborhoods.	For-profit or Nonprofit Developers	Commercial & mixed use	Sale or refinance of property	Varies, refer to RFP	Varies, refer to RFP	Varies, refer to RFP	Varies, refer to RFP	4% - 6%, 1% origination fee

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Corridors of Opportunity, Preservation Loan Program, Single Family	Loan funds used for acquisition and rehab of distressed property, within 1/2 mile of Hiawatha, Central, or Southwest LRT corridors. (Reference maps are provided in RFP.)	For-profit or Nonprofit Developers	Single family	Interest only monthly; principal due on sale of property.	1st or 2nd mortgage lien on real estate	Up to 8 including initial draw	95% of total development cost	30 months (24 months for draws, additional 6 months for repayment)	Estimated at 5.5% - 6.5% interest, 1% - 1.5% origination fee on property closings, legal fees estimated at 5.5%
Corridors of Opportunity, Preservation Loan Program, Multifamily	Loan funds used for acquisition and rehab of distressed property, within 1/2 mile of Hiawatha, Central, or Southwest LRT corridors. (Reference maps are provided in RFP.)	For-profit or Nonprofit Developers	Small multifamily (generally less than 10 units)	Interest only monthly; principal due on earliest sale of property, full occupancy of property, closing and initial funding of any takeout financing, or maturity.	1st or 2nd mortgage lien on real estate	Up to 8 including initial draw	60% - 90%	24 months (property loans are 20 month terms)	6.5% interest, 1% origination fee on property closings, legal fees estimated at 5.5%
Corridors of Opportunity, Transit Oriented Development (TOD) Project Program	Loan funds used for development of new construction of affordable housing/mixed use projects or rehab of large multifamily property, within 1/2 mile of Hiawatha, Central, or Southwest LRT corridors. (Reference maps are provided in RFP.)	For-profit or Nonprofit Developers	Multifamily or mixed use projects	Interest only monthly; principal due on earliest sale of property, full occupancy of property, closing and initial funding of any takeout financing, or maturity.	1st mortgage lien on real estate and/or pledge of ownership interests	Varies	60% - 90%	Up to 5 years	5.5% - 6.5% interest (rate will depend on location, see RFP for details), 1% - 1.5% origination fee, legal fees estimated at 5.5%
Brownfield Gap Program (BGP)	Grant funds (<\$10K) used for environmental assessment and/or remediation in Hennepin County.	Nonprofit Organizations	Neighborhood level development	Grant; no repayment	N/A	1	N/A	N/A	None

Subject to change. Please check www.tcclandbank.org for updates.

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