



Helping create communities where people thrive

Neighborhood Investor Lending Program Fact Sheet

Chicago Community Loan Fund (CCLF) developed the Neighborhood Investor Lending Program (NILP) to provide smaller scale for-profit and nonprofit developers with the support and capital needed to acquire and rehabilitate 1-4 unit buildings. NILP helps preserve affordable housing and stabilize communities impacted by the foreclosure crisis.

This innovative cash-flow lending product will finance up to 90% of the acquisition and rehabilitation costs of 1-4 unit buildings which can be converted to a long-term fixed rate loan. This offering will only require a minimum 10% equity contribution from the smaller scale for-profit or nonprofit community organization. This combination of capital and flexible loan terms is key to assisting neighborhood developers strengthen their communities. In addition, we provide technical assistance and an Energy Efficiency Loan Option for developers seeking to lower the building's utility costs (see reverse for details and loan option terms).

Mission Parameters:

- Borrower must be a developer focused on affordable housing
- Project must be located within the Chicago (IL) metropolitan area
- Project must be in a census tract whose household income is 80% or less of the area median income and/or income of a project end-user does not exceed 100% of the Primary Metropolitan Statistical Area (PMSA)

Loan Parameters:

- Loan term: up to 10 years
- Amortization: up to 30 years (interest-only during construction)
- Loan to cost: 90%
- Loan to value: 80% – 120% (sliding scale)
- Debt service coverage ratio: 1.2x – 1.4x (sliding scale)
- Interest rate: 6.5% – 8%
- Fees: \$250 application fee; 2% origination fee

For more information on the Neighborhood Investor Lending, including how to apply, visit:

<http://www.cclfchicago.org>, email lending@cclfchicago.org or call 312-252-0442.



Energy Efficiency Loan Option

Neighborhood Investor Lending Program (NILP)

Requirements and Benefits

- ✓ Agreement to work with Elevate Energy to implement energy upgrades.
 - Elevate Energy's building services offer practical and affordable energy efficiency solutions that reduce utility and maintenance costs. Elevate Energy can help you:
 - Save 30 percent on utility and maintenance costs.
 - Work with trusted, carefully-vetted, local contractors.
 - Increase the comfort, health, and safety of your buildings to retain tenants.
 - Receive expert guidance from a mission-based organization committed to helping you improve your investments.
- ✓ Pre- and post-energy upgrade performance testing demonstrating:
 - A reduction in air infiltration (for moderate rehab, or when a blower door reading can be obtained)
 - Properly installed combustion appliances
 - Adherence with agreed-upon upgrades outlined in the approved scope of work
- ✓ Signed utility waiver to enable post-occupancy utility tracking
 - This waiver allows utility data to be collected (electricity, gas and water) for 12 months prior to waiver signature and 36 months following.

Parameters

While CCLF realizes that energy savings will ultimately reduce operating expenses, we understand that some of these upfront efforts carry additional costs. Elevate Energy offers free services and will get you the best financial package possible for construction. Additionally, flexibility (including a lower interest rate) will be offered through the below terms:

- Loan term: up to 10 years
- Amortization: up to 30 years (interest only during construction)
- Loan to cost: 95%
- Loan to value: up to 130%
- Debt service coverage ratio: 1.2x – 1.4x (sliding scale)
- Interest rate: 5%-7%
- Fees: \$250 application fee; 2% origination fee

For more information on the Energy Efficiency Loan Option, please contact Kallie Rollenhagen at krollenhagen@cclfchicago.org or 312-252-0426. Learn more online:

ElevateEnergy.org/buildings or CCLFChicago.org/EnergyEfficiencyLoanOption.