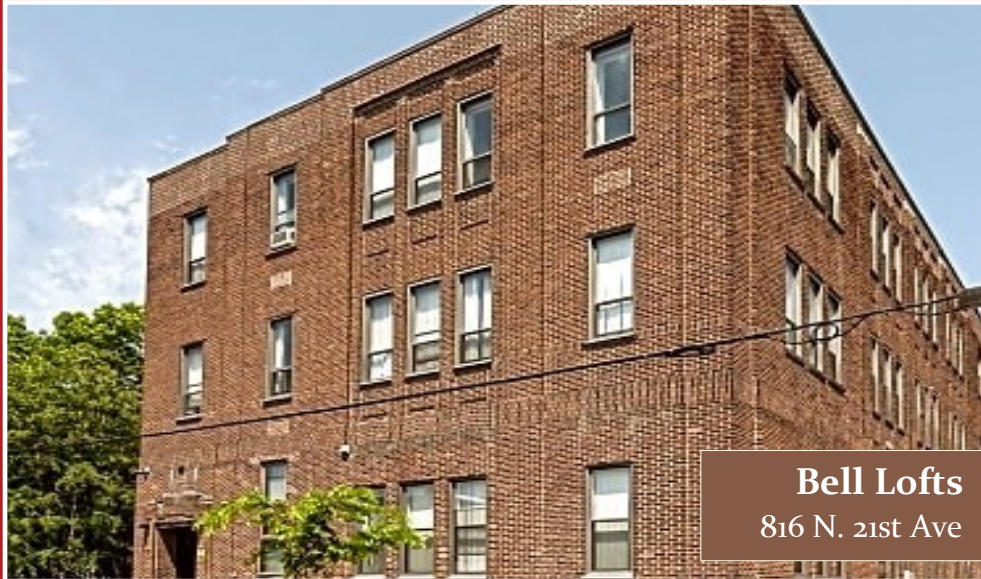
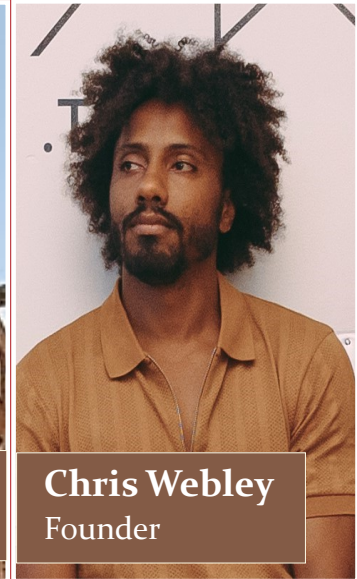


Low Cost Impact Capital to Finance Small Landlords & Developers of Color

For the Preservation of Naturally Affordable Rental Housing



Bell Lofts
816 N. 21st Ave



Chris Webley
Founder

Small NOAH Program

Preserving Naturally Affordable 4-40 unit multifamily housing in Minnesota

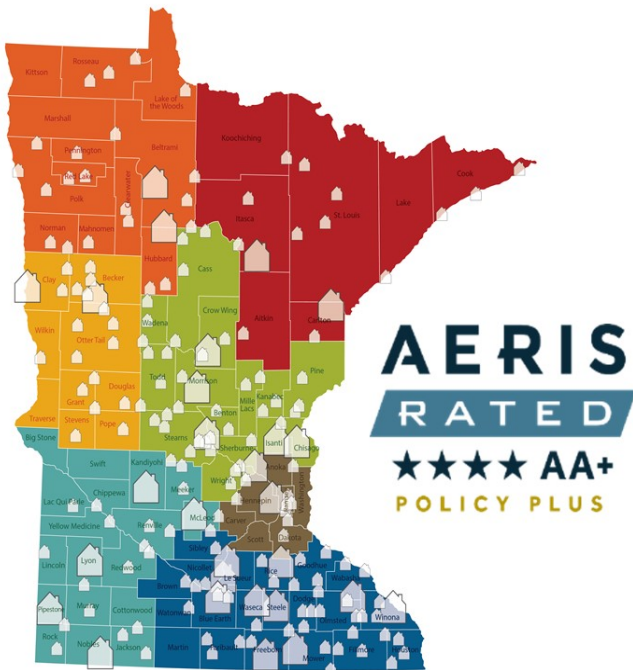
- Greater Minnesota Housing Fund's (GMHF) Naturally Occurring Affordable Housing (NOAH) program provides low-cost capital in the form of first mortgage, mezzanine and gap funding to small landlords and emerging developers of color to preserve NOAH housing stock in communities throughout Minnesota.
- GMHF's small NOAH financing is available both in the Minneapolis-St Paul metropolitan area and in urban and rural communities in Greater Minnesota.
- GMHF's goal in providing funding resources is to preserve the affordability of NOAH housing stock and improve the quality of the housing for tenants.

Bell Lofts

In March 2021, GMHF provided Small NOAH financing for the acquisition and preservation of Bell Lofts, a 25-unit affordable housing development in North Minneapolis, occupied 100% by people of color and developed by New Rules, a Benefit Corporation based in North Minneapolis that seeks to take unproductive buildings in overlooked communities and co-create spaces designed by the community. New Rules is led by founder Chris Webley, an emerging developer of color.

GMHF provided a first mortgage and a NOAH mezzanine second mortgage. Other sources included owner equity and a philanthropic grant.





GREATER MINNESOTA HOUSING FUND

Greater Minnesota Housing Fund has invested over \$564 million in affordable housing production and preservation of affordable housing in 191 communities in Minnesota, leveraging \$1.5 billion and creating 17,263 homes for families, children, and individuals with low incomes.

Questions? Please contact:

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Small NOAH Program

Financing Terms

PERMANENT FIRST MORTGAGES

- Term: 10-25 years
- Amortization: Up to 30 years
- Interest Rate: Fixed rate for term of loan starting at 30-year Treasury + 2%
- Loan to Value: up to 80%
- Debt Coverage Ratio: 1.2 in Year 1

SECOND MORTGAGES | MEZZANINE |

- Term: 10-15 years
- Amortization: Up to 35 years or interest only
- Interest Rate: Fixed rate for term of loan, starting at 1% over First Mortgage
- Loan to Value: Up to 95%
- Debt Coverage Ratio: 1.05

PREDEVELOPMENT LOANS

- Term: Short-term loan to pay for due diligence costs
- Amortization: Interest only
- Interest Rate: 5%

TECHNICAL ASSISTANCE

Technical Assistance (TA) support for new and less experienced owners and developers.

- TA during predevelopment & underwriting
- GMHF TA available for all stages of project: from feasibility through due diligence to closing
- Additional third-party, project management available if necessary

Small NOAH funding requires that at least 75% of rental units be income- and rent-restricted at 80% AMI, and 40% of units at 60% AMI or 20% of units at 50% AMI. Up to 25% of units may be unrestricted at market rates.

