

# MODERATE INCOME/ WORKFORCE HOUSING

National Equity Fund, Inc. (NEF), is a leading non-profit, multi-family, affordable, real estate investment manager with a mission to create and deliver innovative, collaborative financial solutions to expand the creation and preservation of affordable housing.

Through its Low-Income Housing Tax Credit (LIHTC) syndication, lending, and investing platforms, NEF has invested over \$22.7 billion since 1987, representing 231,500 new affordable homes for individuals, families, and communities in need nationwide.

## FINANCING SOLUTIONS

NEF has diversified our product offerings to further amplify our impact on the creation and preservation of affordable housing and to assist our investor and developer partners as they seek to expand their efforts in providing housing for low and moderate income households.

Our moderate income/workforce housing products provide capital investments in existing multifamily and new construction housing that fills the needs of moderate income individuals and families in the “missing middle” who struggle to find affordable housing options in neighborhoods close to job opportunities.



Project financing can be structured in the form of equity, mezzanine or first mortgage debt, which enables prospective partners to acquire, renovate or develop projects where the majority of units are affordable for households earning 80% of Area Median Income (AMI).

**Our professionals are committed to excellence and providing our partners with everything they need to succeed. If you are interested in learning more about our workforce housing solutions, we are ready to get to work for you.**

## CONTACTS

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NATIONAL EQUITY FUND, INC.

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<b>ELIGIBLE SPONSORS</b>	Multifamily housing developers with substantial prior experience and demonstrated track record of developing, owning or operating multifamily properties. Preference for developers with a long-term focus on maintaining affordability.
<b>AFFORDABILITY TERM</b>	Length of investment or Land Use Restriction Agreement (LURA), whichever is greater.
<b>ELIGIBLE PROJECTS</b>	Existing multifamily housing properties operating as naturally occurring affordable housing (NOAH) serving a majority of tenants below 80% AMI. New construction projects will also be considered.

	<b>DEBT</b>	<b>EQUITY</b>
<b>INVESTMENT SIZE</b>	Typically \$10-\$40M; larger loan amounts will be considered	Typically \$8M+; larger investment amounts will be considered.
<b>INVESTMENT TERMS</b>	5-7 Years	Up to 8 Years
<b>LOAN-TO-COST</b>	Up to 98% Loan-to-Cost	N/A
<b>COST OF FUNDS</b>	Contact National Equity Fund for information regarding rates.	Please contact National Equity Fund for pricing information.
<b>USES OF FUNDS</b>	Acquisition and moderate capital improvements up to \$15K per unit.	Acquisition and moderate capital improvements up to \$15K per unit. New construction may be considered as well.
<b>SPONSOR CO-INVESTMENT</b>	The sponsor will be responsible for investing a minimum of 2-3% total costs as equity.	The sponsor will be responsible for investment a minimum of 3-6% of the total costs as equity.
<b>STRUCTURE</b>	Debt will be secured through first position lien.	The sponsor and NEF will purchase the property through a Partnership or Operating Company. The ownership entity created will be subject to an agreement which will delineate roles and responsibilities.
<b>ALLOWABLE DEBT</b>	Subordinate debt permitted in special circumstances.	Up to 75% LTV on the first mortgage, subordinated debt permitted in special circumstances.
<b>DUE DILIGENCE</b>	<p><b>The following due diligence is required for NEF to assess an investment in a particular project:</b></p> <ul style="list-style-type: none"> <li>- Acquisition and operating budget</li> <li>- Three years financial statements and trailing 12 months</li> <li>- Current rent roll</li> <li>- Detailed Proforma and project information</li> <li>- Development team information</li> <li>- Appraisal and/or market study (if available)</li> </ul>	