

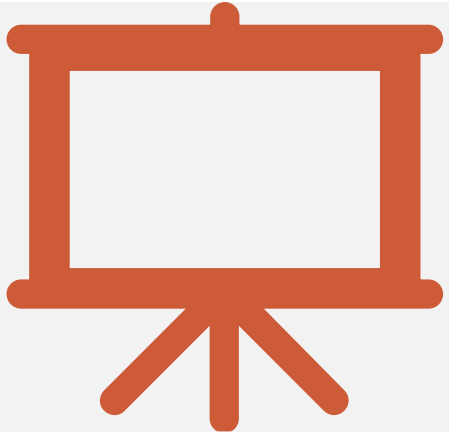


# Rural Rental Housing Preservation Academy

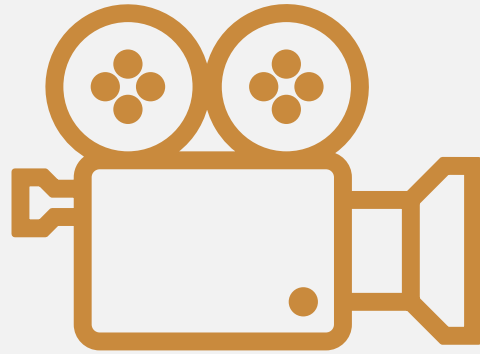
July 16, 2025



# Housekeeping



All registered attendees will receive the slides via email



This session is being recorded. You will also receive a copy and it will be posted on the Enterprise website



We will answer questions throughout the presentation. Please submit them using the Q&A, chat or raise hand function



The link to register for upcoming sessions will be shared at the end of the presentation

# LAND ACKNOWLEDGMENT

## MISSION AND VISION

# Enterprise Community Partners

## OUR VISION

A country where home and community are steppingstones to more.

## OUR MISSION

To make home and community places of pride, power and belonging, and platforms for resilience and upward mobility for all. We focus on three pillars:

- Increase Housing Supply
- Advance Racial Equity
- Build Resilience and Upward Mobility

Unmatched **breadth, scale and expertise** across the entire spectrum of affordable housing...



...creating a positive feedback loop that does it **all under one Enterprise roof.**

# THIRD PARTY FINANCING



# USDA RD Transfer Application

Review of 7-B-1 Forms/Requirements

Third Party Funding

## Third Party Funding (Items 19-25)

19. Application(s) for Funding

20. Financial Pro Forma Information

21. Environmental Information

22. Commitment Letter or Equivalent

23. Regulation Requirements

24. Interim Financing

25. Sources and Uses Comprehensive Evaluation (SAUCE) Analysis  
*(no submission required, advisory note)*

## **Third Party Financing**

Provide submitted materials to USDA if any other third-party funding applications have been applied to and/or awarded.

## **19. Application for Funding**

Any application submitted by the purchaser to the proposed funder.

## **20. Financial Pro Forma Information**

Include any estimates of repair costs, any information regarding proposed sources and uses of funds, and any revenue and expense projections submitted to the proposed funder, whether such documents were included in the application.

## **21. Environmental Information**

Any environmental reports or analyses submitted by the purchaser to the proposed funder.



## Third Party Financing

### 22. Commitment Letter or Equivalent

Commitment letters may be conditional at the time of application. (i.e.: 538 loan letter from lender)

For LIHTC funding, provide a copy of the following:

- the reservation letter
- any subsequent correspondence from the state allocating agency
- any Letter of Intent or similar correspondence from the proposed equity investor describing terms and conditions

Before the transaction may be closed, the following will be required:

- Commitment Letter
- Documentation that any conditions in the commitment letter have been satisfied

## Third Party Financing

### 23. Regulatory Requirements

Documentation for any requirements to be imposed on the project and/or the purchaser as a condition of the proposed third-party funding.

For Low-Income Housing Tax Credits:

- The proposed Land Use Restriction Agreement or equivalent, showing the LIHTC set-aside by income level and unit type
- The current LIHTC income limits and maximum rents for the county in which the project is located

For a proposed loan, a copy of the proposed loan agreement, note, security instrument and regulatory agreement (if applicable).

For a proposed grant, a copy of the proposed grant agreement and regulatory agreement.

## Third Party Financing

### 24. Interim Financing

A. Include a month-by-month projection of interim financing draws and interest cost. This projection should take into account:

- Applicable Rural Development requirements regarding the use of project operating funds to pay debt service.
- Any net interest cost for permanent loan funds that are borrowed up front but not available to the project until funding conditions (such as completion of rehabilitation) have been satisfied.
- Monthly costs for rehabilitation and other costs.
- Monthly receipts from other sources of funds such as tax credit equity.

## Third Party Financing

### 25. Interim Financing (*continued*)

B. If a source of repayment is from tax credit equity, the schedule of equity pay-in from the syndicator.

C. If a source of repayment is from permanent financing, the funding conditions that must be satisfied before the permanent financing will be available to the project.

### 25. Sources and Use Comprehensive Evaluation (SAUCE) Analysis (no submission required)

Purchasers proposing to use a subsequent Rural Development loan should note that Rural Development must prepare a SAUCE analysis or accept the tax credit agency's sources and uses analysis, as a pre-requisite to the closing of the transfer. A SAUCE analysis is not required for transfers not utilizing a subsequent Rural Development loan.

- **Ellicottville Terrace Apartments, western New York**
- **40 units of senior housing**
- **515 transfer application April 2024 (and in July 2024)**
- **Acquisition January 2025**
- **Simple Transfer – two years to complete renovation**
- **Applications submitted to RD MPR and Federal Home Loan Bank New York**





# Gulf Coast Housing Partnership - Rural Mississippi

## USDA 515/538 Transfer TA, ECLF bridge lending & FHLB Sponsor

- Complete rehab of 4 projects of existing affordable housing units
- USDA RD 515 transfer with new 515 and 538 loans with LIHTC, FHLB
- Richland Gardens, Richland, MS – 54 units
- The Heights at Clinton, Clinton, MS – 48 units
- The Meadows, Baldwin, MS – 24 units
- Haven Apartments, Hermanville, MS – 16 units



# Sources

Richland Gardens, LP  
Closing: January 19, 2023

Sources	Funder
<u>Construction Period</u>	
Construction Loan	Regions Bank
OZ Investment	HOPE Credit Union
<u>Permanent</u>	
RD 538 Perm Loan	Churchill Stateside Group
RD 515 Perm Loan	USDA Rural Development
RD 515 Perm Loan - Subsequent	USDA Rural Development
9% Tax Credit Equity	Regions Bank
AHP Atlanta	FHLB Atlanta
GP Capital Contribution	Owner

# QUESTIONS



# REGISTER FOR OUR NEXT SESSION

