

CITY OF LOS ANGELES NEW GENERATION FUND

SUSTAINABLE CONNECTED COMMUNITIES TRAINING AT THE FEDERAL RESERVE

Break-out Panel #2 - Financial Strategies to Stabilize Neighborhoods



Presentation Summary

Discussion Topics

- NGF Overview
- Current Structure
- NGF Funders
- Impact to Date
- Map of Projects Financed
- Project Examples
- Continued Need
- Naturally Occurring Affordable Housing Loan Program
- Key Participants
- Preliminary Terms and Conditions
- Proposed Timeline

New Generation Fund (NGF) Overview

NGF is an innovative financial tool for the City of Los Angeles

- ❑ Established in May 2008 to provide acquisition financing for the development and preservation of affordable and supportive housing.
- ❑ Focuses on the production of new units, preservation of at-risk housing, permanent supportive housing and transit-oriented development (“TOD”).
- ❑ The Fund has become a critical capital resource and management tool for the City of Los Angeles’s affordable housing production.
- ❑ Provided approximately \$110 million of capital to 21 projects.

Current Structure

Lendable Proceeds
\$68.5 MM

Reserves
\$10.75 MM

4-year Loan Portfolio
of \$50-70 MM

Characteristics

- City and foundation monies form reserves providing credit-enhancement for the private capital.
- This combination allows the Fund to offer flexible financing terms including:
 - Limited Sponsor recourse;
 - Up to 120% LTV;
 - Terms of up to 4 years; and
 - 5% interest rate (approx.).

NGF Funders

Senior Lenders

- ❑ Citi Community Capital
- ❑ City National Bank
- ❑ Deutsche Bank
- ❑ JPMorgan Chase
- ❑ MetLife Insurance
- ❑ Wells Fargo

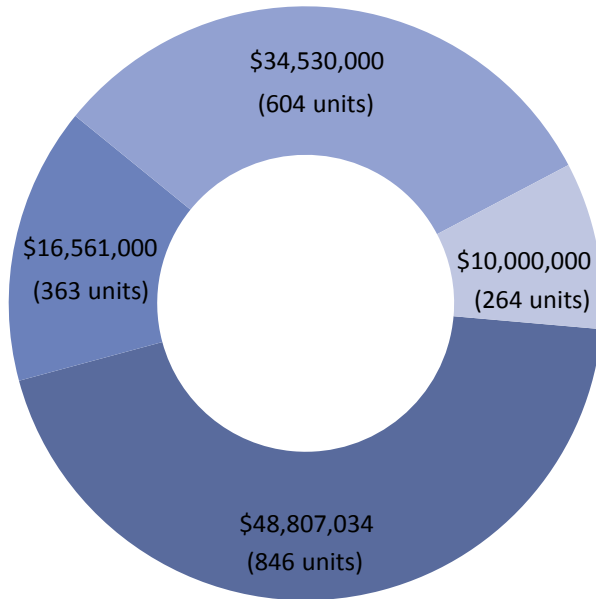
Member and Manager

- ❑ Enterprise Community Partners

City of Los Angeles (HCIDLA)

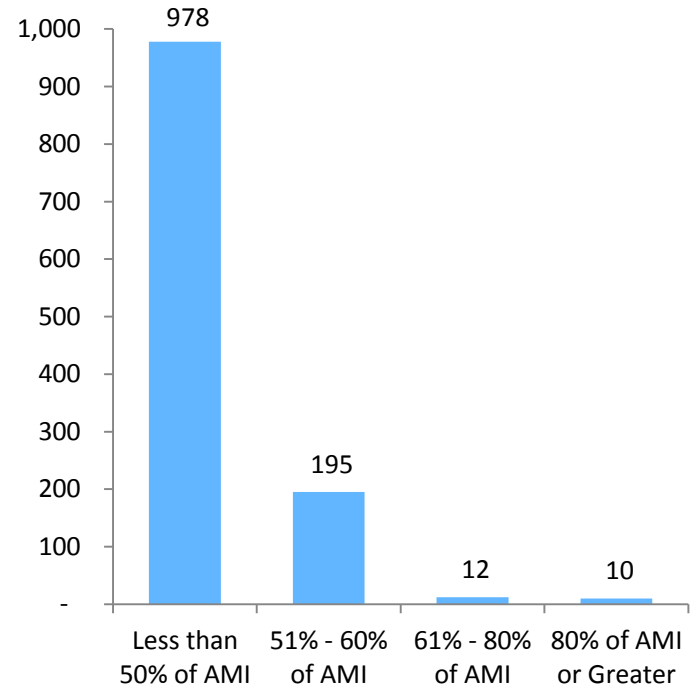
Impact to Date

Total Lending and Units by Project Type



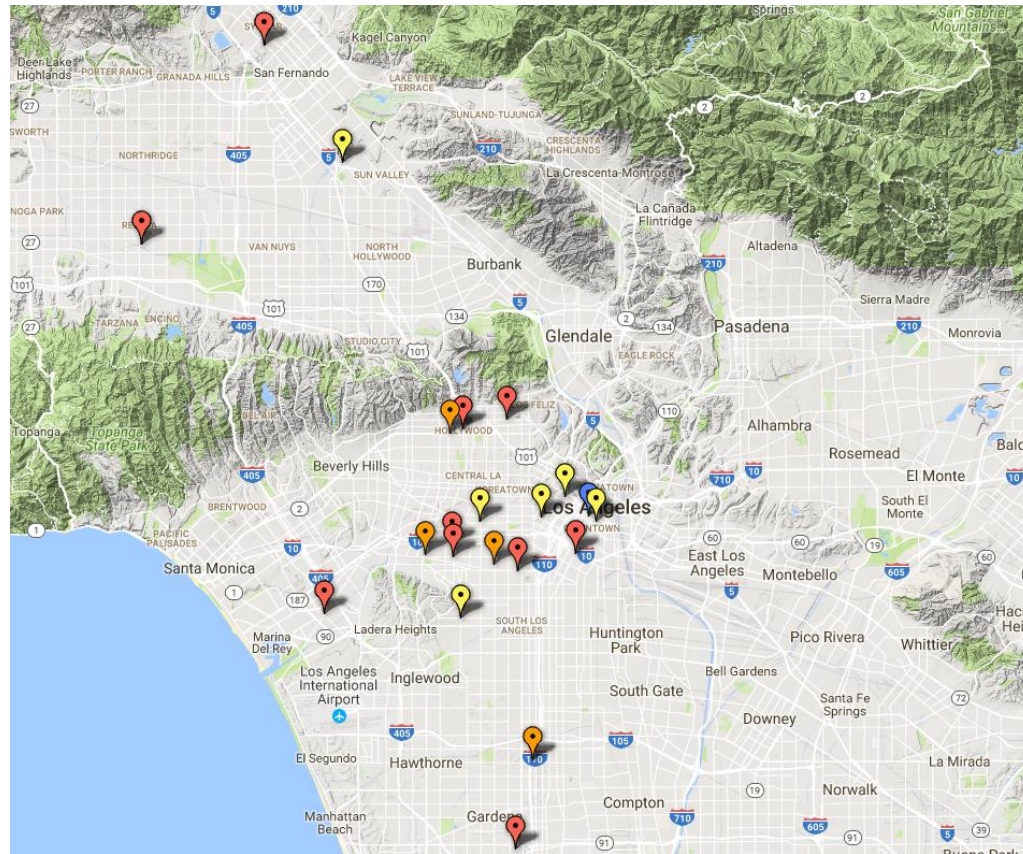
- Affordable New Construction Rental
- Mixed Affordable / Supportive
- Supportive Housing
- Preservation

Total Lending by Affordability



Map of Projects Financed

\$110 MM invested / 2,077 units



NEW CONSTRUCTION



PRESERVATION



SUPPORTIVE HOUSING



**MIXED AFFORDABLE /
SUPPORTIVE HOUSING**

Project Examples

TOD	Seniors	Preservation	New Construction
			
Metro Hollywood	Del Rey Square	Rosslyn Hotel	Kittridge Street
Meta Housing	Thomas Safran & Associates	SRO Housing Corporation	Abode Communities
\$7,837,500	\$9,547,500	\$10,000,000	\$4,140,000
120 units	124 units	264 units	77 units
Hollywood Blvd & Garfield Place	Culver Blvd & Inglewood Blvd	E 5 th St & S Main St	Kittridge St & Reseda Blvd
Completed	Completed	Completed	Completed

For more information about the new small, multifamily building acquisition and rehab loan product, please contact:

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