



Corporation for Supportive Housing Financing

CSH offers financial assistance to expedite supportive housing development projects, enabling them to better prepare and compete for funding. Designed to address the specific needs of non-profit housing developers, these financial products provide funding in accordance with project phase, need, and risk tolerance. CSH offers the following financial products:

- Project Initiation Loans
- Predevelopment Loans
- Acquisition Loans

For information on how to apply, please contact your nearest CSH office, or e-mail info@csh.org.

Project Initiation Loans

Use of Funds: Predevelopment costs associated with the development of supportive housing. Most often used very early in the predevelopment phase.

Amount: Up to \$50,000, subject to availability of funds. Project Initiation Loans are sized just large enough to move the project from the feasibility stage to the “real” stage (i.e. when the sponsor has site control, financing commitments and would be eligible for a loan).

Source of Repayment: Identified, but may not be committed.

Interest Rate: 0%.

Term: Two to three years.

Forgiveness Feature: If a project is not successfully developed, the obligation may be forgiven upon request by the borrower.

Amortization: Balloon payment repaid at maturity.

Disbursements: One to two. Conditions for the release of the funds are detailed in the Loan Agreement (e.g. submission of certain items like funding commitments, contracts etc.).

Security/Recourse: Collateral is not required, however, Project Initiation Loans greater than \$15,000 are recourse obligations of the borrower.

Application & Loan Origination Fees: None.

Predevelopment Loans

Use of Funds: Predevelopment costs associated with the development of supportive housing. On rare, strategically important occasions, construction costs may be funded.

Amount: No maximum; based on strategic importance of project and the availability of funds in CSH’s loan pool. Loans have been made in amounts from \$14,500 to \$1.85 million, although \$50,000 to \$300,000 has been the most typical range.

Contingency: Up to 10% to fund unforeseen predevelopment costs.

Source of Repayment: Typically committed.

Interest Rate: 5-6%.

Term: Up to two years.

Amortization: Interest and principal repaid at maturity (typically at the closing of the take-out funding source).

Disbursements: Multiple installments.

Security/Recourse: Required when available. CSH may subordinate to other lenders. Loans are recourse obligations of the borrower.

Application & Loan Origination Fees: \$500 application fee (non-refundable) and a loan origination fee of 1.5%. The loan origination fee may be financed by CSH.

Acquisition Loans

Use of Funds: Acquisition of real estate in connection with the development of supportive housing.

Amount: No maximum, based on strategic importance of project and availability of funds in CSH's loan pool and value of real estate. The largest acquisition loan approved by CSH to date is \$850,000.

Source of Repayment: Identified, level of commitment varies.

Interest Rate: 5-6%.

Term: Up to two years.

Amortization: Balloon payment with principal and interest repaid at maturity (typically at the closing of the take-out funding source).

Disbursements: Funds are most often disbursed in one installment at the acquisition closing.

Security/Recourse: Maximum of 100% loan-to-value of the real estate acquired (based on an appraisal). CSH may subordinate to other lenders. Acquisition loans are recourse obligations of the borrower.

Application & Loan Origination Fees: \$500 application fee (non-refundable) and a loan origination fee of 1.5%. The loan origination fee may be financed by CSH.