Affordable Housing Refinance Loan

CCRC's Affordable Housing Refinance Loans provide permanent financing to experienced multifamily housing developers and owners for the refinancing of stabilized affordable apartment properties in good standing.

Property Type & Affordability Requirements

- Occupied affordable multifamily housing properties with 5+ units.
- Affordability restrictions must be included in a recorded regulatory agreement with a term exceeding the term of the Refinance Loan.
- Affordable unit rents must be at least 10% below area market rents, and one of the following thresholds must be met:

- 51% or more units affordable at **80% of Area Median Income (AMI)** or less
- 40% or more units affordable at **60% of AMI or less**
- 20% or more units affordable at **50% of AMI or less**

Loan Size

Up to $20,000,000

Pricing Index

10-Year Treasury

Minimum DSCR

1.20x

Loan Term

The maximum term is 20 years.

Loan-to-Value Ratio

Up to 80% of the stabilized as-is value.

Amortization

The maximum amortization is the lesser of 30 years or 10 years less than the remaining economic life of the improvements.

Recourse

Non-recourse with the exception of standard carveouts, including standard non-recourse carve-out guarantees from the developer.

Prepayment

Subject to the greater of a yield maintenance formula or 1% of the outstanding principal balance until 90 days prior to loan maturity loan.

Fees

An application fee of $15,000 and an origination fee of 1%-1.5% of the loan amount apply. For borrowers with a current CCRC perm loan, an origination fee discount may apply.

Replacement Reserves

The greater of $300 per unit or the recommended requirement in the Property Condition Assessment report. CCRC shall hold the replacement reserves for the term of the loan.

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Loan Proceeds, Collateral, Repairs, and Required Reports

Loan Proceeds

Loan proceeds may be used to repay a maturing first mortgage, cover closing costs and third-party report costs, fund repairs and reserves, and support the implementation of sustainability improvements, including the cost of an energy audit and recommended measures. Limited cash out is permitted, subject to CCRC approval.

Repairs / Improvements

Funds for repairs, deferred maintenance, and capital improvements can be included in the loan amount, subject to maximum loan limitations. Documentation of completion is required prior to releasing funds for this work.

Collateral

This is a senior lien product; a first lien deed of trust on the subject real property is required. All loans and regulatory agreements currently subordinate to the first mortgage shall be subordinate to the Refinance Loan. All use and rental restrictions, regulatory agreements, and subordination agreements must be acceptable to CCRC.

Required Reports

Property Condition Assessment (PCA), Energy Audit, Appraisal, Phase I Environmental Site Assessment (ESA), Mold Inspection, Wood Destroying Pests & Organisms Inspection, Radon Testing, Seismic Report (if applicable), Lead/Asbestos Survey (pre-1978/1981 construction). All third-party report costs are the responsibility of the borrower.

Operating Reserves

A capitalized operating reserve equivalent to at least three months of operating expenses, replacement reserve deposits, and debt service is required. CCRC shall hold the operating reserve for the term of the loan. If applicable, a relocation reserve may be required.

Application Procedure

See CCRC's website (www.e-ccrc.org) for information about the due diligence process or contact CCRC’s SVP of Loan Originations: Jennifer Quevedo at Jennifer.Quevedo@e-ccrc.org or 818-550-9804 today.