

AFFORDABLE HOUSING FUNDS

The Community Foundation for Greater Atlanta invests in the preservation and creation of affordable housing in Atlanta's five core counties through two primary funds:

GoATL AFFORDABLE HOUSING FUND

A social impact fund providing concessionary capital to nonprofit and for-profit developers and projects

TogetherATL AFFORDABLE HOUSING FUND

A philanthropic fund providing grants and 0% conditional loans to nonprofit developers to support affordable homes and longer terms of affordability

GoATL AFFORDABLE HOUSING FUND \$100M+ Social Impact Fund

Our goals:

- Impact first
- A return of capital
- A modest return on capital

Who we are:

- A low-friction investor, often providing the last dollars needed to complete a project.
- Provider of impact dollars as part of a larger capitalization along with other impact and/or grant dollars.
- An expector of repayment for our investment and we work with the buyer to establish the repayment process.
- A lender with rates of 3-6.5% with a maximum 15-year term. Lower rates are reserved for nonprofit developers.
- An up to \$5M maximum investment, subject to the discretion of the Fund manager.
- Seekers of diverse partners.

Our investment decisions are informed by an evaluation rubric of both community impact and real estate fundamentals. These criteria are reflected in the [application linked here](#).

Loans/investments we consider:

- Affordability is defined here as being mostly under 80% AMI, except for some for-sale housing between 80-120% AMI, with a duration of at least 10 years. Longer terms of affordability are preferred.
- Rental and/or for-sale, new construction, and acquisition/rehab, land/community development.
- Projects in Atlanta's five core counties: Clayton, Cobb, DeKalb, Fulton and Gwinnett.
- First mortgages, subordinate mortgages, mezzanine loans and (preferred) equity investments.

- Current interest payable is preferred, which can be funded through interest reserves during construction/lease-up and/or stabilization periods.
- Maximum 80-85% loan/investment to cost. Top end equity can come from a variety of sources such as Tax Allocation District funds, Housing Opportunity Bond funds, grants, or conventional equity.
- Generally \$30,000-\$40,000 per affordable unit with a sliding scale by level of affordability.
- \$1M minimum loan amount. \$5M generally maximum. Greater than \$10M requires approval of limited partners.

**Note: these are only guidelines and we evaluate every investment on its own merit.*

TogetherATL AFFORDABLE HOUSING FUND \$100M+ in grants, 0% conditional loans

The philanthropic fund is designed to support deep and long terms of affordability and is limited to nonprofit developers or projects where there is meaningful participation from a nonprofit partner.

There are two types of philanthropic funding:

- 1] 0% conditional loans for 65+ years of affordability achieved through a ground lease or land trust**
 - \$30,000-\$50,000 loan per affordable home or no more than 25% of overall project cost. Higher levels of funding are reserved for lowest levels of affordability.
 - Long-term affordability requirements are set to ensure project viability and sustainability (e.g. positive cash flow and the ability to recapitalize).
 - Requires material engagement of nonprofit development partner in terms of participation in the deal and a partner with experienced board and relevant track record.
 - Loan forgiveness is at the discretion of the Community Foundation for Greater Atlanta.

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Affordable Housing Funds

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- A minimum of 10% match required if used for acquisition.
- Performance requirement to maintain as 0% forgivable loan; otherwise, repayable with interest
 - 65 years of compliance with affordability requirements
 - 5-year development requirement for land with up to two one-year extensions
 - 3-year stabilization requirement for NOAH* with up to one one-year extension
- There is the opportunity for these funds to serve as strategic 'dry powder' for nonprofit acquisition of land/property when market conditions are favorable. Nonprofits can prequalify for use of funds through organizational underwriting in order to expedite underwriting of the real estate.

2] We also provide strategic grants into projects, supporting 50% AMI and below.

- Typical grant size of \$100,000-\$500,000
- Nonprofit partners only
- These are generally the last dollars in to make a project feasible and can be in alignment with GoATL Affordable Housing Fund loans

* Naturally Occurring Affordable Housing



How do I access funds?

The typical process is:

- Step 1:** Introductory conversation with Community Foundation team member
- Step 2:** Submit application
- Step 3:** Application reviewed and, pending alignment and follow-up discussions, Community Foundation issues term sheet
- Step 4:** Signed term sheet and application fee payment initiate project underwriting
- Step 5:** Community Foundation Investment Committee approval
- Step 6:** Loan documents developed for loan closing

When things move smoothly, we estimate this to be a 90-day process.

For more information, please contact:
housing@cfgreateratlanta.org

LEARN MORE

To learn more about the Community Foundation's work supporting affordable housing in Atlanta, scan the QR code or visit cfgreateratlanta.org/housing

FOR MORE INFORMATION, CONTACT:

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ABOUT US

The Community Foundation for Greater Atlanta inspires and leads the Atlanta region toward equity and shared prosperity for all who call it home. TogetherATL is the Foundation's strategic ethos, working through a collaborative approach with community stakeholders, donors, nonprofits and others to examine complex challenges the region faces and create solutions that build a thriving region. cfgreateratlanta.org

