



Neighborhood Stabilization Program Loans

THE NEIGHBORHOOD STABILIZATION PROGRAM

The Federal Neighborhood Stabilization Program (NSP) provides funding to stabilize the value of residential properties in 23 NC counties* that are experiencing high rates of home foreclosure. The NSP's aims are to acquire, repair, manage and resell targeted properties, and to provide affordable homes for low- and moderate-income buyers and tenants.

Self-Help offers housing providers loans designed to address the unique needs of NSP projects. These loans enable NC organizations to provide *more* quality homes for a *greater number* of low-income families and to *maximize* the NSP program's potential for stabilizing the value of surrounding properties.

*<http://www.nccommerce.com/en/CommunityServices/CommunityDevelopmentGrants/CommunityDevelopmentBlockGrants/Neighborhood+Stabilization+Program.htm>

SELF-HELP LOAN PRODUCTS

	Developer Line of Credit	Lease-to-Purchase Mortgage
Purpose	Loan to acquire, build or renovate properties.	Enables providers to lease NSP eligible homes to qualified tenants until they can assume a mortgage.
Term	Up to 4 years	30 years
Interest Rate	Prime plus 1% (variable)	5.75 – 6.25 (fixed)
Maximum loan / value	80%	97%
Loan size	\$250,000 - \$2 million	No minimum / Fannie Mae maximum

KEY FEATURES

- Developer Lines of Credit are available to non-profit and for-profit housing developers. Lease-to-Purchase Mortgages available to non-profits only.
- NSP residences must be sold or leased to households with incomes below 120% of the HUD-defined area median, adjusted for household size.
- Housing providers may apply for both a line of credit and preapproval for assumable (Lease-to-Purchase) mortgages with one application.
- Self-Help Credit Union also offers low- and moderate-income homebuyers fair, affordable mortgages that combine seamlessly with special financing from local governments and NCHFA. ***Ask about lower interest rates on mortgages for buying NSP-eligible homes.***

FOR MORE INFORMATION, PLEASE CONTACT

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