



## Neighborhood Stabilization Loans for Housing Providers

### THE NEIGHBORHOOD STABILIZATION PROGRAM

The Neighborhood Stabilization Program (NSP) provides federal 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* good 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.**

\*[www.nccommerce.com/en/CommunityServices/CommunityDevelopmentGrants/CommunityDevelopmentBlockGrants/Neighborhood+Stabilization+Program.htm](http://www.nccommerce.com/en/CommunityServices/CommunityDevelopmentGrants/CommunityDevelopmentBlockGrants/Neighborhood+Stabilization+Program.htm)

### SELF-HELP LOAN TERMS

	Developer Line of Credit	Lease-to-Purchase Mortgage
<b>Purpose</b>	To acquire, build or renovate foreclosed properties.	Enables providers to lease NSP-eligible homes to qualified tenants until they can assume a mortgage.
<b>Term</b>	Up to 4 years	30 years
<b>Interest Rate</b>	Prime plus 1% (variable)	5.75 – 6.25 (fixed)
<b>Maximum loan / value</b>	80%	97%
<b>Loan size</b>	\$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 with experience providing housing financed by the USDHUD and local or state government. Lease-to-Purchase Mortgages are available only to non-profit organizations.
- 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 with one application for both a line of credit and preapproval for Lease-to-Purchase mortgages.
- Self-Help Credit Union also offers your low- and moderate-income homebuyers **fair, affordable mortgages** that combine seamlessly with special financing from local governments and NCHFA.

### FOR MORE INFORMATION, PLEASE CONTACT

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