Construction Loans

**Uses**
To build new or significantly rehabilitate/renovate existing apartment, condominium, single-family, commercial, and mixed-use properties

**Loan amount**
Up to $10,000,000

**Loan term**
Up to 36 months for single-project loans
Up to 60 months for multi-phase projects, especially large subdivisions

**Interest rate**
From 5.50%, depending on the loan amount, loan term, complexity and certainty of the repayment sources and permanent financing conditions

**Collateral/security**
First position mortgage/deed of trust on the property and project under construction
Maximum 85% LTV

**Repayment source**
Permanent financing for apartment or commercial/mixed-use projects
Sale proceeds from home/property sales

**Fees**
Application Fee - $1,000
Origination Fee - 1.25% to 2.00% of loan amount
Borrower pays all third-party inspection and review costs

**Draws and funding**
Funds are drawn on a progress basis, generally once per month, through standard inspection and requisition process

**Third-party reports**
Appraisal, Phase I/II environmental, market study, capital needs assessment for rehabilitation project, construction plans, budget and contract review

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*It's so valuable because NeighborWorks Capital gets what we're doing. We don't have to spend a lot of time explaining strategy because they get it, they see the mission. We're very fortunate to have a lender that is so easy to work with. Each loan officer we get has wanted to work together in innovative ways to meet our lending needs.*

**Sarah Miner,** Director of Real Estate, Mutual Housing Assoc. of Greater Hartford

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