



Helping Build Affordable Rural Single-Family Homes

	Sources	Uses
NW Capital Loan	\$3,049,000	Cottage Grove:
WNHS Equity/SHOP	230,224	Lot Acquisition \$50,000
OHCS LIFT - Cottage Grove	450,000	General Costs 224,480
OHCS LIFT - Florence	900,000	Site Development Costs 407,753
		Management Fee 25,289
		Construction Costs 839,289
		Contingency 137,193
		Florence:
		Lot Acquisition 10
		General Costs 360,228
		Site Development Costs 600,903
		Management Fee 38,445
		Construction Costs 1,626,156
		Contingency 242,639
		Construction Loan Interest 76,840
Total	\$1,660,312	\$1,660,312



After two organizations merged into DevNW, they were able to break ground on two locations in rural Oregon—an opportunity that might not have been available three years ago.

ABOUT THE DEAL:

To help fulfill the great need for single-family construction in rural Oregon, NeighborWorks Capital provided DevNW a \$3 million loan for 18 new homes in two locations 80 miles apart. Developing in rural areas, particularly for home ownership opportunities, is a DevNW and state mission. Lack of available land for development and a shortage of affordable owner-occupied homes has put immense pressure on home prices.

The homes will cater to families below 80 percent AMI (\$51,900 for a family of four) and includes 1-, 2-, and 3-bedroom homes. DevNW was among the first organizations to apply for Oregon's new Lift Act program and meet the stringent funding criteria. After the original construction lender backed out, NeighborWorks Capital stepped in, able to fill the gap where traditional banks aren't able to, and there's little other capital available.

Both developments are on community land trusts, vacant lands in the middle of existing single-family residential neighborhoods. Every home built on this land comes with a 99-year lease, which limits to whom they can be sold, keeping them affordable for the next century. DevNW will remain the owner/manager of the land trust.

ABOUT THE DEVELOPER:

DevNW was formed when Willamette Neighborhood Housing Services and Neighborhood Economic Development Corporation officially merged at the beginning of 2019. Helping families to build assets, improve neighborhoods, and create healthy communities are complex, multi-faceted efforts that aim to address significant, intractable social issues like wealth inequality, and equally longstanding economic issues, like the current home affordability crisis. Through a merger, DevNW achieves the scale needed to develop and implement comprehensive approaches that better address these issues.

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