



Permanent loan helps CAPNA stay in their offices



After a 15-year lease, CAPNA exercised the purchase option on their headquarters, using a flexible permanent loan from NeighborWorks Capital.

BY THE NUMBERS:

Permanent	Sources	Uses	
NW Capital Loan	\$1,467,000	Building acquisition	\$1,630,000
	193,312		
Borrower funds		Loan fee	14,670
		Legal, closing, and recording costs	15,642
Total	\$1,660,312		\$1,660,312

ABOUT THE DEAL:

CAPNA has occupied its headquarters location near Huntsville, AL, since 2003, when the 18,000 square foot commercial building was built. Under the terms of their 15-year lease, they had the option to purchase the property. Buying the property will reduce its occupancy costs by 33 percent.

NeighborWorks Capital helped them acquire the building through a 10-year, \$1.47 million permanent loan at 5.85%, with 90% LTV. NeighborWorks Capital also provided an Enterprise Growth Loan of \$800,000 in 2019 that will mature in 2022. This loan supports CAPNA's ability to add one to two new real estate development projects a year, in addition to its portfolio of 37 rental properties.

CAPNA was challenged by limits on the portion of its revenue that can be used for corporate occupancy costs. Most of its revenues are from government contracts for services, especially

for Head Start programs, and cannot be used to pay debt services, preventing several local lenders from considering CAPNA's financing request. NeighborWorks Capital's ability to be flexible and work with its borrowers on a project-by-project basis helped make this permanent loan to CAPNA possible.

ABOUT THE DEVELOPER:

Community Action Partnership of North Alabama was formed in 1965 and is a leading non-profit partner organization in the state. It is committed to reducing or eliminating the causes and consequences of poverty through its various programs for its communities' low-income individuals and families. These include Children's Services, Energy Assistance, Foster Grandparents Program, Homeownership Services, Housing and Community Development, Meals on Wheels & More, Senior Companion Program, and Weatherization.

Stephen Peelor CHIEF LENDING OFFICER
(240) 595-1561
speelor@neighborworkscapital.org

Lanie Wasserman SENIOR LOAN OFFICER
(301) 789-6857
lwasserman@neighborworkscapital.org

Michael Haas SENIOR LOAN OFFICER
(540) 589-0480
mhaas@neighborworkscapital.org