

HOMES FOR HOMELESS FUND

NATIONAL EQUITY FUND® has teamed up with affordable housing investors to launch **Homes for Homeless**, a new investment fund providing **bridge financing** to developers so they can rapidly acquire hotels, motels, extended stay residences and apartment buildings and transform them into permanent supportive housing. The Fund is an extension of NEF's pioneering work over the last three decades to build the field of supportive housing—testing new financial structures, collaborating on regulatory approaches, and investing \$3.4 billion to fuel nearly 37,000 supportive housing residences, including 5,000 for homeless veterans.

The Fund offers a **quick, cost-effective** way to build on this track record and dramatically expand the nation's stock of service-enriched housing. It also furthers the aims of the federal CARES Act, which includes among its COVID-19 relief measures more than \$4 billion in emergency grants, to help expand housing for homeless residents.

FINANCING SOLUTIONS

The Fund offers project financing in the form of first mortgage debt, which when combined with public funding through CARES and other soft financing sources, enables prospective partners to quickly acquire qualified properties. The **fixed-rate, interest-only hard payment, non-recourse** financing serves as a bridge to support acquisition and other early development needs until a project is stabilized and eventually refinanced with longer term permanent debt or LIHTC syndication. Typical investments range from **\$5-\$50** million and carry a term of up to five years with no pre-payment penalty. Projects would need to secure HUD Section 8 or other **rental/operating subsidies** so they are able to serve very low-income people.



The Homes for Homeless Fund is spearheaded by Debbie Burkart, a NEF vice president and national leader in permanent supportive housing, and Scott Zeigler. For more information, please contact:

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