

Seed Money Advance Loan and Market Study

(Program Factsheet)

Housing Finance Loan Closer

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Program Overview

The Seed Money Advance Loan (SMAL) Program is a revolving loan fund that can be used to pay recoverable predevelopment costs before construction loan proceeds are available. The SMAL account has been segregated into a \$160,000 original account balance for Seed Money loans and a \$90,000 original account balance for market study loans. The program is intended to facilitate the development of high quality affordable housing by providing below market financing and flexible terms for site acquisition and typical predevelopment expenses. The Department will underwrite, originate and administer the loans. For more detailed information on the program, please refer to the Loan Application for Predevelopment Loans, Seed Money Advance Loans, Market Study Loans and Habitat Predevelopment Loans.

Eligibility Requirements

Nonprofit housing corporations, For-profit housing developers, and governmental entities may be eligible to receive loan funds.

Program Requirements

The funds can only be used for predevelopment costs which include, but are not limited to Architectural design, Legal fees, Environmental studies, Appraisals, Market Studies, Land acquisition costs, Federal or state application fees and other recoverable development costs approved by the department.

Loan Terms

Loan Amount:	SMAL up to \$40,000; Market Study up to \$7,500.
Term:	Up to two years.
LTV:	Up to 100% for SMAL; no LTV for Market Study.
Interest Rate:	Contact the Department for current fixed rate.
Application Charge:	\$100 SMAL; \$200 Market Study
Loan Charge:	2% of loan collected at loan closing for SMAL; no charge for Market Study.
Security:	Trust Deed, cash or assignment of accounts for SMAL; none for Market Study

For More Information

For more information, contact **Becky Baxter**, Loan Closer, at 503.986.2074 or by E-mail Becky.Baxter@hcs.state.or.us.

To talk with someone about developing affordable housing in your area, contact a **Regional Advisor to the Department** at 503.986.2000 or visit the website at:

http://www.ohcs.oregon.gov/OHCS/DO_RegionalAdvisors.shtml

OHCS is the state housing finance agency, providing financial and program support to create and preserve opportunities for quality, affordable housing for lower income Oregonians. The agency also administers federal and state antipoverty, homeless and energy assistance community service programs.



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