



Seed Money Advance Loan and Market Study

(Program Factsheet)

Senior Loan Officer
Shelly Cullin
Ph: (503) 986-2118
Email: Shelly.Cullin@hcs.state.or.us

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.

Eligibility

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; Market Study limited to actual cost.
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.

Fund Availability

Loans are funded from a revolving loan account. Availability of funds depends on the number and size of outstanding loans at the time of application. Due to the limited funds, loan requests





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Page 2 of 2

are taken on a first-come, first-reviewed and found to be qualified and ready to proceed. Due to the limited funds, the Department encourages early repayment of these loans.

For More Information

To talk with someone about developing affordable housing in your area, contact a [Regional Advisor to the Department](#) or call 503.986.2000.

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.

