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Local nonprofits partner to fund affordable housing in Colorado

Mile High Housing Fund (MHHF) and Habitat for Humanity Colorado (HFHC) have joined forces to help fund the building and sustainability of affordable housing in Colorado.



HFHC has received a \$250,000 low-interest, long-term loan from Wells Fargo Community

Development Corporation that allows them to establish a revolving loan fund for Habitat affiliates to meet the early-stage financing needed on local Habitat projects.

MHHF, through an agreement with HFHC, will administer and manage the revolving loan program established with the Wells Fargo funds. MHHF will participate in many of the loans granted to Habitat affiliates enabling the loan funds to be leveraged and more loans to be made to affiliates.

The early-stage, flexible loans will be used by Habitat affiliates for pre-development, land acquisition, construction, and gap financing needs on affordable housing development projects. Loans will be made to affiliates at 6.0% fixed rate generally for terms of 24 months or less.

Seedco Financial Services partners with MHHF

Mile High Housing Fund and Seedco Financial Services, Inc (Seedco Financial) have executed an agreement to make an initial combined investment of \$1million for early-stage, short-term loans available for affordable housing development and renovation projects in Denver.

Seedco Financial is the national financial intermediary selected by the City of Denver to spur investment and redevelopment in targeted low-income neighborhoods.

Bank of the West has matched Seedco Financial's investment in MHHF, in part, with a long-term, low-interest investment.

This partnership takes advantage of Seedco Financial's extensive financial resources and expertise and MHHF's capacity and experience processing and making affordable housing loans in the Denver metro area. The partnership will combine resources to further the redevelopment efforts that often include housing, business and commercial development.

MHMF Completes Independent Industry Assessment Rating Process

Mile High Housing Fund has recently been awarded an "A3" rating under the CDFI industry's new impact and financial performance rating system. MHMF is one of 30 CDFI's across the county (out of more than 800 CDFI's) to have completed this rigorous assessment. Although staff aspires to an even higher rating, the "A3" equates to satisfactory or better in all categories of assessment.

Earlier this year MHMF volunteered to participate in the Community Development Financial Institution (CDFI) industry's comprehensive, third-party analysis of CDFI's. This process and rating system is similar to Dunn & Bradstreet and other business rating systems.

MHMF elected to participate at this relatively early stage of development to demonstrate its commitment to transparency and to identify key infrastructure and operations issues to be addressed as the Fund grows. Several recommendations by the analysts validated the direction MHMF was already heading particularly in the area of portfolio management software upgrades.

Horizon Banks EQ2 raises MHMF loan capital above \$10M

Mile High Housing Fund is proud to add Horizon Banks to its list of investors. Horizon Banks gave MHMF a \$100,000 equity equivalent investment in October.

Horizon is the fourth new investor this year for MHMF, and its participation brings the total capital loan amount to \$10.6 million.

Featured Borrowers – Nonprofit Facility

Boulder Day Nursery uses MHHF to restructure balance of construction loan



With a mission that hasn't changed since its inception in 1917, Boulder Day Nursery Association continues to provide high-quality early education, childcare and family support services to low-income families in Boulder County.

Serving up to 150 kids per year, this 90-year-old organization renovated and upgraded its main facility to keep up with the demand. In November MHHF closed a \$360,000 mini-perm loan to help restructure and refinance the balance of a construction loan left from the 2002

renovation and expansion of their downtown facility.

Financing options for restructuring were complicated as the City of Boulder owns the land on which the 6,600 square foot facility sits. However, MHHF was able to underwrite a loan that gives Boulder Day Nursery Association the additional time needed to raise funds to retire the debt and continue to serve the community while keeping costs low.

Featured Borrowers – Affordable Housing

Longmont Housing Authority Dedicates New Home



In what amounts to a win-win times five, the Longmont Housing Authority (LHA) dedicated the Longmont Housing Authority Office Building and Briarwood Apartments on November 14.

The event was the culmination of an effort that began in 2005 when LHA purchased the motel with 100% financing from Mile High Housing Fund. The motel has been converted to a 4,000 square foot office complex for LHA and 10 affordable apartments master leased by five area nonprofits for their various clients. Renovations included a new roof, ADA accessibility enhancements, new conference room, installation of energy efficient boiler and lighting, camera surveillance system, resurfaced parking lot, and new interior/exterior paint.

Upon completion of the project the MHHF loan was paid off and First Bank provided the long-term mortgage financing for the project.

Congratulations to Michael Reis, executive director, and the LHA Board of Directors and staff!

If you would like to receive Mile High Housing Fund's E-Newsletter to your inbox once a quarter, please contact Jaime at jaimej@mhclf.org or 303-860-1888 x6 to sign up!

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