



REQUEST FOR EXTENSION OF HOUSING
AUTHORITY LOAN AND REGULATORY
AGREEMENT TERMS FOR – NORTHPOINT
APARTMENTS I AND II
2121 STONY POINT ROAD

Housing Authority Meeting
September 27, 2021

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CURRENT

- Bridge Housing Corporation (Bridge Housing) requests Housing Authority loan and regulatory agreement extensions and loan subordination.
- Bridge Housing is refinancing the senior loans for the project with Umpqua Bank, to obtain a new 10-year term through December 31, 2031.

CURRENT

- Housing Authority loans and Regulatory Agreement terms:

- Northpoint Apartments I

Loans totaling	\$2,428,946, due August 2029
Regulatory Agreement	term ends 10/20/2029

- Northpoint Apartments II

Loans totaling	\$821,221, due December 2029 and September 2030
Regulatory Agreement	term ends 9/22/2030

Request for all Housing Authority loans and regulatory agreement terms to be extended to December 31, 2031.

PROPOSED

- Subordination of Housing Authority Loans to refinanced senior mortgages
- Subordination Agreements and Amendments to Housing Authority Loans and Regulatory Agreements in Executive Director or Assignee Approval Authority

Additional Information

- Interest rate comparison on senior mortgages:

	<u>Current</u>	<u>Proposed</u>
Northpoint Apts I	8.41%	3.80%
Northpoint Apts II	8.38%	3.80%

- Debt coverage ratios post refinance:

Northpoint Apts I 1.27

Northpoint Apts I 1.25

Additional Information

- Bridge Housing proposes to access cash from each project for immediate physical needs, fund the project replacement reserve accounts and fees associated with the refinance.
- Immediate rehabilitation work for Northpoint Apartments I and II is primarily exterior repair work such as: balconies, decking, waterproofing, stucco, painting, asphalt, walkways, lighting, and landscape work (tree roots).

RECOMMENDATION

It is recommended by the Housing and Community Services Department that the Housing Authority, by resolution, approve a request for extension of loan and Regulatory Agreement terms for Northpoint Apartments Phases I and II, located at 2121 Stony Point Road, as follows: 1) extend Northpoint Phase I loan due dates from August 2029 to December 31, 2031 and extend the Regulatory Agreement from October 2029 to December 31, 2031; 2) extend Northpoint Phase II loan due dates from December 2029 and September 2030 to December 31, 2031 and extend the Regulatory Agreement from September 2030 to December 31, 2031; and 3) authorize subordination of the Housing Authority loans to refinanced senior mortgages.

Questions?