

NOAH Multi-Family Affordable Housing



Funding Support Request

Presented to the Mecklenburg
Board of County Commissioners
May 6, 2024

HOUSING IMPACT FUND OVERVIEW

HOUSING IMPACT FUND – An Innovative Model To Create Affordable Housing

Housing Impact Fund is under contract to acquire its 11th apartment community next month, producing a portfolio of 1,866 units serving over 5,000 residents. These communities are located in opportunity-rich areas across Mecklenburg County.

Each community received a 20-year deed restriction ensuring that rents remain affordable to households with incomes ranging between 0-80% of the area median income (“AMI”).

At every community, no less than 30% of units are set aside for 30% AMI and below households. A 4-person household at 30% AMI earns \$31,800/year or less. Rents paid by 30% AMI and below households range from \$250-\$550/month at Housing Impact Fund communities. The average rent in Charlotte is \$1,460/month for a 1-bedroom apartment and \$1,705/month for a 2-bedroom apartment.

Over \$23 million has been invested to renovate each apartment community with more than 90% of those dollars spent with minority-owned contractors, creating dozens of new jobs.

Each community is provided supportive services and resources led by a Community Health Worker that assists residents in the areas of financial wellness, workforce development, education, health and community capital.

Through its first fund in 2020 and second fund in 2023, Housing Impact Fund has raised and is deploying \$125 million of social impact equity capital from the private-sector to preserve vulnerable naturally-occurring affordable housing (NOAH) in Mecklenburg County.



PORTFOLIO OVERVIEW

- 11 Properties*
- 1,866 units*
- **Avg. rent** paid by 30% AMI households is **\$336/month**
- **Avg. rent** across entire portfolio is **\$956/month**
- 560 units at 30% AMI and below
- 724 units at 60% AMI and below
- 290 units at 80% AMI and below
- **\$23 million in renovations**, 90% spent with minority-owned contractors
- Robust supportive services programming in the areas of financial wellness, health, education and community capital

* Following the acquisition of Woodford Estates



Communities

NOAH Multi-Family



Ascent Pineville

8401 Habersham Pointe Circle, 28226

240-unit property near Pineville-Matthews Rd, offering 1- and 2-bedroom apartments. Features include updated units, a swimming pool, a dog park, a gym, and easy access to shopping and entertainment centers.



Charlotte Woods

1116 Scaleybark Road, 28209

266-unit property in close proximity to Park Road Shopping Center and SouthPark, offering 1- and 2- bedroom apartments. Features include a community room, pool, private balconies/patios, and dog park.



Lake Mist

1120-A Lakemist Drive, 28217

144-unit property in immediately adjacent to LYNX Archdale Station in the Montclaire South neighborhood, offering 1- and 2-bedroom apartments. Features include a pool, laundry rooms, and walking distance to a grocery store and other services.



Maple Way

1012 McAlway Road, 28211

60-unit property in located in the Cotswold neighborhood, offering studios, 1- and 2-bedroom apartments. Features include a playground, picnic areas and walking distance to a grocery store and private balconies/patios.



Peppertree

4335 Central Avenue, 28205

292-unit property on Central Avenue near the Plaza Midwood neighborhood, offering 1- and 2- bedroom apartments. Features include updated units, a swimming pool, a clubhouse, a gym, and on-site access to an Atrium Health clinic.



Pines at Wendover

628 North Wendover Road, 28205

44-unit property located in the Cotswold neighborhood, offering 2- bedroom apartments. Features include updated units, zoned for quality schools and walkable to a grocery store, shops and multiple bus routes.



Shamrock Gardens

3779 Michigan Avenue, 28205

265-unit property located in the Shannon Park neighborhood near Plaza Midwood and NoDa, offering 1- and 2-bedroom apartments. Features include updated units, hardwood floors, and convenient access to grocery stores, shopping, and dining.



Shelton Knoll

516 Arrowhawk Dr, Charlotte, NC 28217

45-unit property in the Montclaire South neighborhood, offering 2- and 3- bedroom apartments. Features include convenient access to South Charlotte amenities, spacious floor plans, and an on-site business center.



Swan Run

4600 Swan Meadow Lane, 28205

92-unit property located near Providence Rd and Highway 51, offering 1- and 2-bedroom apartments. Features include updated units, a fitness center, a playground, laundry facilities, walk-in closets and private patio/balcony options.



Sharon Pointe

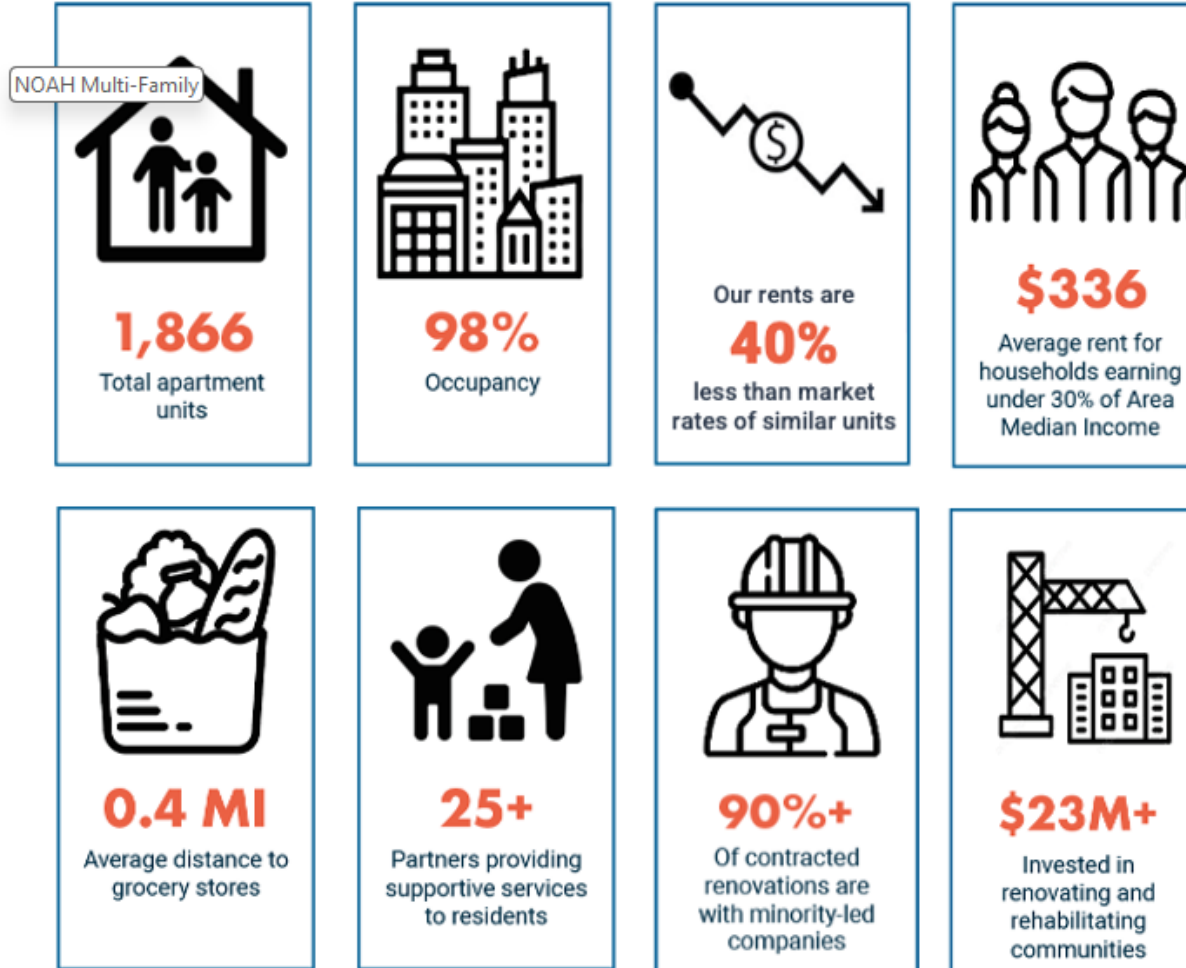
5626 Sharon Pointe Rd, 28215

190-unit property built in 2002 offering 1-, 2- and 3- bedroom apartments. Located near N. Sharon Amity Road and W.T. Harris Blvd, in walking distance to a grocery store, pharmacy, bank, daycare and other services. Features include a clubhouse, pool, playground, and dog park.



HOUSING IMPACT FUND OVERVIEW

Signs of Success



Project Overview Woodford Estates



NOAH Multi-Family – Funding Request

Woodford Estates

Property Overview

- 228-unit community built in 1985
- Located on Central Avenue
- Walking distance to a grocery store, pharmacy, health clinic and other resources
- Served by 2 CATS bus routes (#9, #17)
- 176 one-bedroom units, 52 two-bedroom units
- 15% of units renovated with luxury finishes
- Clubhouse, pool, fitness center, dog park on site
- Average rents in the submarket increased 39% for 1-BR units and 45% for 2-BR units in the last 5 years. Nearby properties that have been acquired by private equity have experienced rent growth close to 70%.

Draft Budget (uses)

- \$32,000,000 purchase price
- \$3,250,000 renovation costs
- \$865,000 soft costs

Total - \$36,115,000 (\$158,399/unit)



NOAH Rental Subsidy Funding - \$144,876 in annual rental subsidy funding from the County and \$99,519 in annual rental subsidy from the City (equivalent to respective share of current property taxes) so 34 of 68 units at 30% AMI and below go to households without existing rental subsidies or vouchers who are extremely vulnerable to homelessness.

Draft Budget (sources)

- \$18,000,000 Freddie Mac (senior mortgage)
- \$5,400,000 City of Charlotte (2nd loan)
- **\$2,500,000 Mecklenburg County (3rd loan)**
- \$850,000 Roof Above (equity co-investment)
- \$9,365,000 Housing Impact Fund II (equity)

Total - \$36,115,000 (\$158,399/unit)



NOAH Multi-Family – Property Overview

Woodford Estates



NOAH Multi-Family – Property Overview

Woodford Estates



NOAH Multi-Family – Property Overview

Woodford Estates



Project Overview Sharon Pointe



NOAH Multi-Family – Funding Request

Sharon Pointe

Property Overview

- 190-unit community built in 2002
- Located off N. Sharon Amity Road near intersection with W.T. Harris Blvd.
- Walking distance to a grocery store, pharmacy, bank, daycare and other services
- Served by 3 CATS bus routes (#3, #23, #29)
- 38 one-bedroom units, 120 two-bedroom units, 32 three-bedroom units
- Well-maintained community with new roofs and exterior siding
- Clubhouse, pool, playground, dog park on site
- Average rents in surrounding neighborhood have increased 41% in 5 years with 33% of 2-BR units and 17% of 3-BR units still affordable to 60% AMI and below households



NOAH Rental Subsidy Funding - \$117,295 in annual rental subsidy funding from the County and \$61,220 in annual rental subsidy from the City (equivalent to respective share of current property taxes) so 28 of 57 units at 30% AMI and below go to households without existing rental subsidies or vouchers who are extremely vulnerable to homelessness.

Draft Budget (uses)

- \$34,500,000 purchase price
 - \$857,500 renovation costs
 - \$794,500 soft costs
- Total - \$36,152,000 (\$190,274/unit)**

Draft Budget (sources)

- \$19,102,000 Freddie Mac (senior mortgage)
 - \$5,100,000 City of Charlotte (2nd loan)
 - \$11,950,000 Housing Impact Fund II (equity)
- Total - \$36,152,000 (\$190,274/unit)**



NOAH Multi-Family – Property Overview

Sharon Pointe



NOAH Multi-Family – Property Overview

Sharon Pointe



NOAH Multi-Family – Property Overview

Sharon Pointe



Project Overview Shelton Knoll



NOAH Multi-Family – Funding Request

Shelton Knoll

Property Overview

- 45-unit community built in 1986
- Located off of Arrowood Road near intersection with South Blvd.
- Walking distance to a grocery store, bank and health clinic
- Served by 2 CATS Bus routes (#12, #57) and walking distance to LYNX Arrowood Station
- 23 two-bedroom units, 22 three-bedroom units
- Playground on site
- Average rents in surrounding neighborhood have increased 45% for 2-BR units and 71% for 3-BR units over the last 5 years.



NOAH Rental Subsidy Funding - \$28,536 in annual rental subsidy funding from the County and \$19,609 in annual rental subsidy from the City (equivalent to respective share of estimated property taxes) so 7 of 14 units at 30% AMI and below go to households without existing rental subsidies or vouchers who are extremely vulnerable to homelessness.

Draft Budget (uses)

- \$5,900,000 purchase price
 - \$605,000 renovation costs
 - \$231,000 soft costs
- Total - \$6,736,000 (\$149,689/unit)**

Draft Budget (sources)

- \$2,986,000 Freddie Mac (senior mortgage)
 - \$1,100,000 City of Charlotte (2nd loan)
 - \$2,650,000 Housing Impact Fund II (equity)
- Total - \$6,736,000 (\$149,689/unit)**



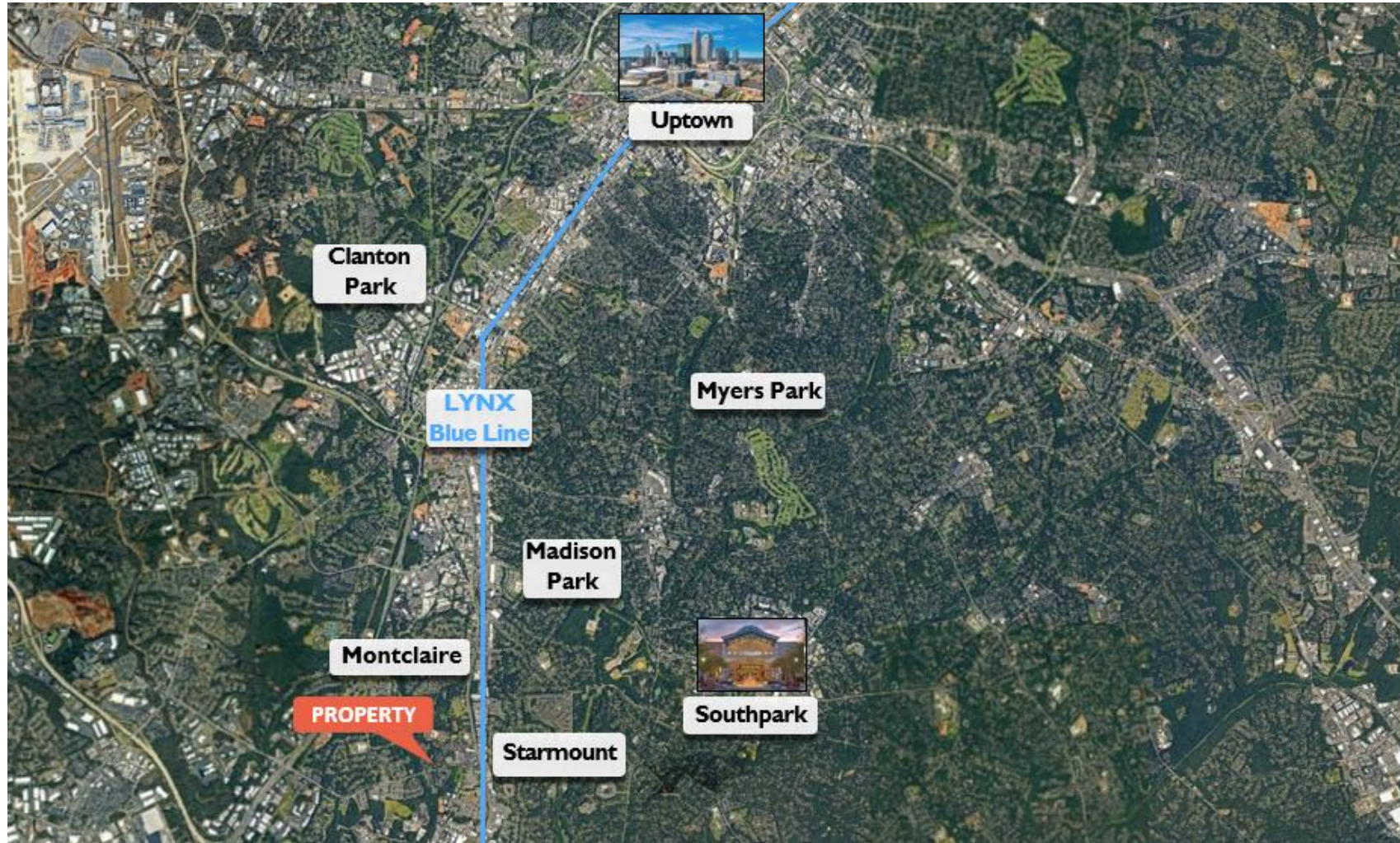
NOAH Multi-Family – Property Overview

Shelton Knoll



NOAH Multi-Family – Property Overview

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NOAH Multi-Family – Property Overview

Shelton Knoll





NOAH Multi-Family Affordable Housing Funding Support Request



APPENDICES

Housing Impact Fund Overview

Key Pillars

Housing Impact Fund Overview

KEY PILLARS

Quality, Affordable Housing

- Protect vulnerable residents from displacement
- Create housing that's affordable to 0-80% AMI households for 20 years
- Target high opportunity neighborhoods with access to jobs, transportation, and strong schools

Neighborhoods of Opportunity

- Improve communities with meaningful renovations
- Spend 90%+ of capital improvements with minority- led contractors, promoting small business growth and job creation

Supportive Services

- Offer programming in the areas of financial wellness, workforce development, education, health and community capital
- Provide counselling, resources and referrals through on-site Community Health Workers



Building Resilient Communities

Building Resilient Communities

Our Approach

Housing Impact Fund recognizes that stable housing is essential for fostering upward mobility. We prioritize the creation of quality, affordable living spaces within each community. Once we establish these homes, we focus on providing supportive services designed to enhance resident stability and build social capital.

By embedding services on-site in our Housing Impact Fund communities at no cost to residents, we effectively remove many barriers that often hinder access to resources and impede the development of a strong community.

Atrium's dedicated on-site Community Health Workers (CHWs) play a crucial role in nurturing this sense of community. They not only foster connections among residents but also link them to valuable resources and on-site programming by nonprofit partners. Importantly, all services are provided to residents at no cost, ensuring that everyone can benefit from the support available within their community.



Supportive Services

Supportive Services

HOUSING IMPACT FUND

Financial & Workforce Development



Financial Empowerment Workshops

Our partners at Common Wealth Charlotte, PNC, and Truist hosted on-site financial empowerment workshops teaching community members about budgeting, savings, credit-building, and home ownership.



Career & Workforce Development Survey

173 residents participated in a career and workforce development survey, which gathered insights on residents' current employment status, career goals, and barriers to job opportunities.

Flex Pay

All properties have implemented Flex Pay, an innovative payment system designed to assist residents in managing their monthly budgets while simultaneously helping them build their credit.

Financial Assistance

In collaboration with Crisis Assistance, Good Fellows, and several other key partners, we proactively connected residents facing unforeseen hardships with vital rent & utility assistance.

Education



DigiBridge STEAM Summer Camp

Over the summer, Lake Mist partnered with DigiBridge to host a STEAM Summer Camp for two dozen 3rd, 4th and 5th graders.

This week-long camp, sponsored by LendingTree, offers full days of fun, hands-on educational activities ranging from creative art to robotics, in addition to providing meals and child-care support for families.

Education Equity Initiative

With support from Barings, Promising Pages installed reading resource centers (community libraries) at each property and Classroom Central distributed backpacks and school supplies to students at each property.

S.T.A.R.S. Saturday Academy Middle school students at Lake Mist participate in weekly academic enrichment and tutoring sessions with S.T.A.R.S. and CMS teachers. This program is made possible by the Merancas Foundation.

Back-To-School Events

Each community hosted back-to-school events to prepare students for a successful school year. Supported by local organizations and volunteers, these events provided essential school supplies—from notebooks and pencils to backpacks and lunchboxes—connecting over 700 students with educational resources and easing the financial burden on families.



Story Time

We launched partnerships with the Charlotte-Mecklenburg Library and the Latin American Coalition to host active reading workshops for families of young children at Lake Mist and Maple Way.



Parents as Teachers

Lake Mist formed a new partnership with the YMCA and Latin American Coalition to launch a 6-week Parents As Teachers outreach program for families.



Familia Adelante

Familia Adelante offered programming on a weekly basis at both Lake Mist and Maple Way for parents and teens ages 11-14. The program's interactive sessions aim to reduce family stress, enhance life skills, and improve academic performance.



Supportive Services





Supportive Services

HOUSING IMPACT FUND

Health

				
I CAN workshop 15 elementary-aged students participated and "graduated" from Levine Cancer Institute's I CAN program, a multi-day workshop that focused on the importance of being physically active and good nutrition to maintain healthy lifestyles and manage stress.	The Bulb The Bulb hosts biweekly markets, offering fresh fruits and vegetables to HIF residents at no-cost. Supported by Truist, this critical service provides education and access to nutritious, healthy food.	Vaccine Clinics Swan Run and Ascent Pineville hosted on-site vaccine clinics, in partnership with Publix Pharmacy.	Community Pantries Community pantries at Maple Way, Shamrock Gardens, and Lake Mist served as vital resources for residents, aimed to provide essential food items and supplies. Additionally, NC MedAssist provided free prescriptions, and VIDA Pharmacy provided free prescription delivery and health resources to residents.	On-Site Virtual Clinic We increased outreach and awareness of the on-site virtual clinic at Peppertree Apartments.

Community Capital

				
Resource Fairs Each community hosted resource fairs throughout the year. Partners including Atrium, PNC, Promising Pages, Housing Collaborative, Charlotte Fire, CMPD joined to share resources and information with residents.	Beautification ArtPop Street Gallery and the City of Charlotte's Neighborhood Matching Grants program supported the creation of a resident-informed community mural along the entrance to Lake Mist.	Coat drive In December, volunteers from Christ Church held a coat donation drive at Shamrock Gardens. Residents shopped for winter clothing and toys, sipped hot cocoa and enjoyed holiday treats.	Trees Charlotte Throughout the year, Trees Charlotte hosted tree planting events at Shamrock Gardens, Lake Mist and Ascent Pineville. Lower-income neighborhoods often suffer from a "green gap," missing out on the benefits trees provide, such as shade and improved air quality.	Youth Aging Out of Foster Care We launched a partnership with Mecklenburg County, The Relatives, and Housing Collaborative to connect youth aging out of foster care with a subsidized apartment and supportive services.



Major Milestones

Housing Impact Fund 2024 Major Milestones



HIF II acquired Swan Run, a 92-unit community in South Charlotte.



HIF II acquired Ascent Pineville, a 240-unit community in South Charlotte.

HIF successfully secured over **\$2.5 million** in philanthropic funding dedicated to enhancing supportive service offerings. These investments will provide additional Community Health Worker networks, early childhood development programs, workforce development services, among other critical resident supports.



HIF II acquired Shelton Knoll, a 45-unit community in South Charlotte.

JAN FEB MARCH APRIL MAY JUNE JULY AUG SEPT OCT NOV DEC

IMPACT SPONSOR 2024



Freddie Mac honored HIF as a **2024 Multifamily Impact Sponsor**, a prestigious recognition for providing affordable housing and resident-centered services.



Charlotte Woods renovations are underway! We invested \$1.7 million toward:

- Electrical & HVAC
- Security solutions
- Roofings
- Common spaces
- Landscapes

Peppertree hosted The White House and the City of Charlotte to highlight our partnership in affordable housing and on-site access to affordable shared electric vehicles and charging stations.



Ascent Pineville's renovations are underway! We invested in:

- Roof and balconies
- Energy-efficient plumbing
- New HVAC systems
- Parking lot upgrades
- New fitness center

Community Health Workers Keissy Coppinger and Elia Campozano joined to support residents at Maple Way, Shamrock Gardens and Pines communities.



NOAH RENTAL SUBSIDY PROGRAM

NOAH RENTAL SUBSIDY PROGRAM

The NOAH Rental Subsidy Program is an innovative partnership that provides opportunities for households with extremely low incomes (0-30% AMI) who do not have existing vouchers or rental subsidies. The program provides rental subsidies that bridge the gap between what residents can afford and the asking rents at NOAH properties.

The program is jointly supported by Mecklenburg County and the City of Charlotte and funded in direct appropriation to their receipt of annual property taxes. It is administered by a local non-profit, Housing Collaborative, who accepts referrals from non-profit organizations in Mecklenburg County's "continuum of care" for households at high risk of homelessness.

Key Statistics

- **\$13,880/year** – Avg. HH Income
- **\$336/month** – Avg. rent paid by residents
- **50%** of households were staying in a local shelter prior to move-in



Stephanie* – “We went through so much while living in a condemned apartment, feeling hopeless at times. But now, the house we’re in finally feels like a home—a place where we can truly feel comfortable, safe, and at peace. It’s more than just a home; it’s a blessing beyond words. Since Housing Collaborative stepped in, they have made a real, lasting change in our lives, and we are forever grateful for their kindness, support, and generosity. Thank you for giving us not just a house, but a place where we can truly live and thrive.”

* Resident names have been changed.

