

RHDIP
RENTAL HOUSING DEVELOPMENT & IMPROVEMENT PROGRAM

Flexible source of construction/permanent “gap” loan financing for the new construction and/or rehabilitation of rental housing.

Eligible Borrowers: For-profit & non-profit developers with demonstrated development and property management experience

Eligible Projects: Properties located in the City of Pittsburgh which contain a minimum of 10 units, address special populations or are part of a comprehensive neighborhood revitalization strategy

Maximum Loan Amount: Lesser of \$30,000 per unit or 50% of total development cost; lesser of \$40,000 per unit or 60% of total development cost for non-profit developers or projects with a minimum of 51% of the units rented to very low income households

Maximum Loan Term: Longer of 30 years or the remaining term of first mortgage

Interest Rate: Rate determined based upon the borrower’s capacity to repay the loan through the project’s operating income.

Equity Requirement: 10% of total development cost (non-profit borrowers are exempt from this requirement)

Project Benefit: CDBG - 51% or more of the units must be rented to low income households (below 80% area median income) or the development must eliminate slum & blight
HOME – All HOME assisted units must be rented to very low income households (below 60% of the area median income). Twenty percent (20%) of HOME assisted units must be rented to households below 50% of the area median income.

Accessibility Grants: Up to \$5,000 per unit to cover approved costs attributed to making unit accessible

Program Funding Source(s): CDBG, HOME & Program Income