



Multifamily Housing Finance

For Immediate Release

DOUGHERTY MORTGAGE LLC

Innovative Financial Solutions Nationwide

Dougherty Mortgage LLC closes \$10.9 million HUD loan for Riverside Homes

MINNEAPOLIS, Minn. – December 13, 2018 –Dougherty Mortgage recently closed a \$10.9 million HUD 221(d)(4) loan for the substantial rehabilitation financing of Riverside Homes, an affordable multifamily portfolio of 74 single-family, townhome, duplex, and multiplex buildings located in the Cedar-Riverside neighborhood of Minneapolis, MN. Within these 74 buildings, there are a total of 191 units, all of which are restricted to individuals and families earning 60% or less of AMI. Additionally, 103 units (54%) are covered by Project-Based Section 8 HAP Contracts. In total, the project consists of four (4) studio units, 50 one-bedroom units, 102 two-bedroom units, 33 three-bedroom units, one (1) four-bedroom unit, and one (1) five-bedroom unit. The Borrower entered into a new 20-Year HAP Contract.



As part of the transaction, the Project will undergo a substantial rehabilitation in the amount of \$13,721,828 (\$71,842 per unit). While each building has a separate scope of work, the scope generally includes the replacement of siding, windows, doors, and roofing. Repairs will also be made to foundations, decks, and mechanical and electrical systems. Finally, accessibility upgrades will be made and lead-based paint and asbestos will be abated.

In addition to the HUD-insured first mortgage, the transaction includes funding from the sale of Low Income Housing Tax Credits and loans City of Minneapolis and related-party entities. The project also includes the issuance of \$19,215,000 of tax-exempt multifamily housing revenue bonds. Dougherty & Company LLC, an affiliate of Dougherty Mortgage LLC, served as the Underwriter for the bonds. The loan featured a 40-year term and 40-year amortization (plus construction) and was arranged for borrower Riverside Homes II of Minneapolis Limited Partnership.

About Dougherty Mortgage

Dougherty Mortgage LLC is a full-service, nationwide mortgage banking firm, an approved FHA MAP and LEAN lender, as well as a Fannie Mae Delegated Underwriting and Servicing (DUS®) lender, offering a variety of loan products for the acquisition, refinance, construction or rehabilitation of various property types. In addition, Dougherty Mortgage LLC provides loan servicing on their mortgages and is an approved Ginnie Mae seller/servicer, currently servicing in excess of \$6.2 billion of loans. Dougherty Mortgage LLC has also been awarded designation as a lender/partner with USDA under the Community Facilities Guaranteed Loan Program. Based in Minneapolis, Dougherty Mortgage also has offices in Colorado, Georgia, Illinois, Mississippi, Tennessee and Texas.

For more information, please visit www.doughertymortgage.com.

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