

# Preserve Affordability Pittsburgh Loan Pool (PAP)

## PROVIDING FLEXIBLE ACQUISITION LOAN CAPITAL

### What is the Preserve Affordability Pittsburgh Loan Pool?

- PAP is a private loan fund created in partnership with **The Heinz Endowments, Henry L. Hillman Foundation** and **UPMC For You** to provide low-cost capital to preserve rental housing affordability in Pittsburgh and greater Allegheny County.
- PAP is focused on helping organizations committed to maintaining quality affordable housing expand rental housing portfolios.

### What Does PAP Finance?

With below-market interest rates, a PAP loan can stand alone, or in a subordinate position to more traditional financing. PAP is designed to keep affordable units in service, avoiding building sales to owners seeking to maximize rental income, or loss of housing stock to disrepair. PAP seeks out projects that have a strong impact on low or moderate income communities that are experiencing displacement in a market with increasing upward pressure on rents.

- Residential buildings/portfolios with a suggested minimum of 20 units.
- Occupied properties with expiring public rental subsidies, or with unsubsidized below-market rents, and buildings with high ratios of Housing Choice Voucher residents.
- Properties with limited deferred maintenance. PAP cannot fund construction costs, but projects requiring minor rehab are accepted.

For more information regarding Preserve Affordability Pittsburgh Loan Pool or to discuss a project, please contact: [cinnairepap@cinnaire.com](mailto:cinnairepap@cinnaire.com)

### Preserve Affordability Pittsburgh Partners



PAP Acquisition Loan Terms	
Maximum Loan Size	Up to \$2.5 million
Maximum LTV	95%
Minimum Debt Service Coverage	1.15x
Security	Mortgage & All Asset Filing
Term/Amortization	Up to 10 years/ up to 30 years
Rate	Up to 4%
Guarantee	Full Recourse
Eligible Properties	Existing rental housing, including those with some repair/rehab needs
Eligible Uses	Acquisition costs are only for properties with identified financing required to maintain quality property conditions
Eligible Borrowers	PAP borrowers must demonstrate successful experience owning and operating quality, affordable multi-family housing
Location	Allegheny County, including City of Pittsburgh