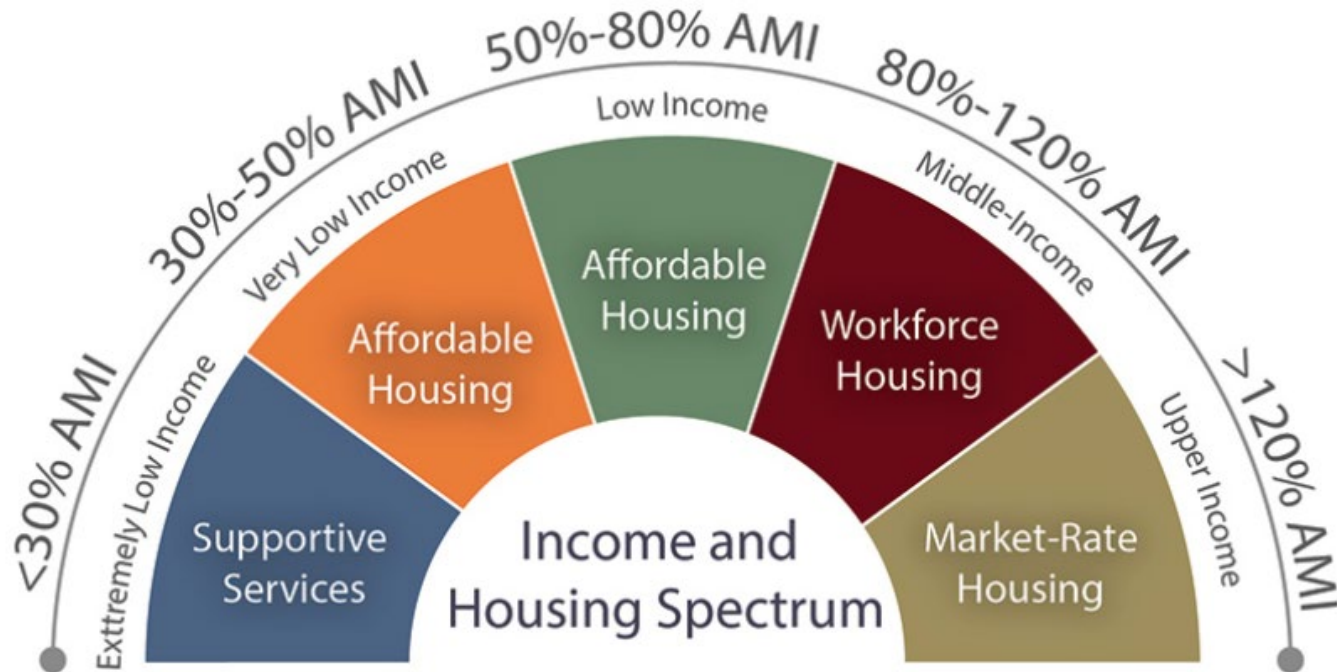


Winston-Salem/Forsyth County Housing Loan Fund

Presentation to the City of Winston-Salem,
General Government Committee

August 11, 2025

AFFORDABLE HOUSING LEVELS IN FORSYTH COUNTY



Family of 4 in Forsyth County:

- 30% AMI: \$24,550
- 50% AMI: \$40,950
- 80% AMI: \$65,500
- 120% AMI: \$98,300

A housing loan fund is **one tool** of many that are needed to address affordable housing, facilitating the creation and preservation of housing.

W-S/FC HOUSING FUND WORKING GROUP

- Multi-sector team convened by the Winston-Salem Foundation
- Aug – Dec, 2024: focused on how to expand financing for affordable housing in Winston-Salem/Forsyth County at this time
- Team included representation from banking, legal, faith community, philanthropy, city, county, higher education, and housing advocates
- Research included meetings with other communities with established housing funds, affordable housing developers, and fund managers

PRIORITIES FOR W-S/FC HOUSING LOAN FUND

- Project located in Forsyth County
- To create or preserve multi-family rental housing (6 units or more), including adaptive reuse
- Could be used for clustered single-family home developments
- Majority of units for 80%AMI and below
- Proximity/access to community amenities (e.g., transportation, grocery, green space)

FUND TYPES CONSIDERED

CDFI-MANAGED LOAN PROGRAM

- Provide capital to an existing, mission driven lender with loan products and experience in affordable housing
- Leverage existing lending/investing expertise, operational structure – no need to establish entity
- Philanthropy and public funds provide top loss, reducing risk for other providers of capital
- CDFI entrusted to make decisions with local guidance
- Less flexibility in how capital is raised (no equity investors)
- **Conditions for success:** Public sector participation; Philanthropic participation; CDFI with track record

INVESTMENT (IMPACT) FUND

- A legal entity organized for the sole purpose of the capital raise
- As its own entity, it will have its own financial statements, organizational and management structure that can be defined by the stakeholders
- Overseen by a Board of Advisors to make decisions on fund matters
- Flexibility in types of capital, rates and returns
- Additional upfront costs
- **Conditions for success:** Investors identified at onset; Board of Advisors with expertise and capacity; Fund manager engaged early

PATH FORWARD

- Create a \$40 Million CDFI-managed loan fund
- Partner with Self-Help Ventures Fund to create the **Winston-Salem/Forsyth County Housing Loan Fund**
 - Mission-driven lender with affordable housing experience with established product
 - Balance sheet over \$3.4B, loan guarantee
 - Working in neighboring communities, Triad region
 - Timeline – can start much sooner than impact fund
- Also continue to build relationships and plan for Housing Impact Fund for late 2026 to provide more flexible capital and investment options

- Priorities identified by local community, spelled out in formal agreements.
- Self-Help is responsible for loan approvals based on those priorities.

CURRENT GOAL

- Raise \$10 million Top Loss Funds
 - Loan funds or grants, expecting no return or up to 1% return

TOP LOSS FUNDS SOURCES & AMOUNTS



**Foundations /
Corporate:**

\$5-6 Million



**Individuals
(Including DAFs):**

\$2-3 Million



**Public Sector
(City/County)**

\$3-4 Million

SELF-HELP INTRODUCTION & MISSION

SELF-HELP IS A NATIONAL CDFI WITH A MISSION TO CREATE AND PROTECT ECONOMIC OPPORTUNITY FOR ALL. WE CHANNEL OUR MISSION THROUGH A FAMILY OF NONPROFIT ORGANIZATIONS, INCLUDING:

SHCU

Self-Help Credit Union (SHCU), a NC state chartered, federally regulated credit union with branches across NC and in SC, FL and VA. About 98,000 members, \$2.0B in assets, \$266M in net worth (13% ratio).

SHVF

Self-Help Ventures Fund (SHVF), a nonprofit loan fund – \$3.49B in total assets; \$753M in net worth (22% net worth ratio) – where we house higher risk commercial lending, home loan secondary market program, real estate development.

WE HAVE 5 PRIMARY BUSINESS LINES:



Self-Help Federal Credit Union (SHFCU), a federally chartered and regulated credit union with branches in California, Washington, Chicago, Milwaukee. About 124,000 members, \$2.15B in assets, \$346M in net worth (16% ratio).

SHFCU

Center for Responsible Lending (CRL), a research and policy organization devoted understanding and combatting predatory lending practices.

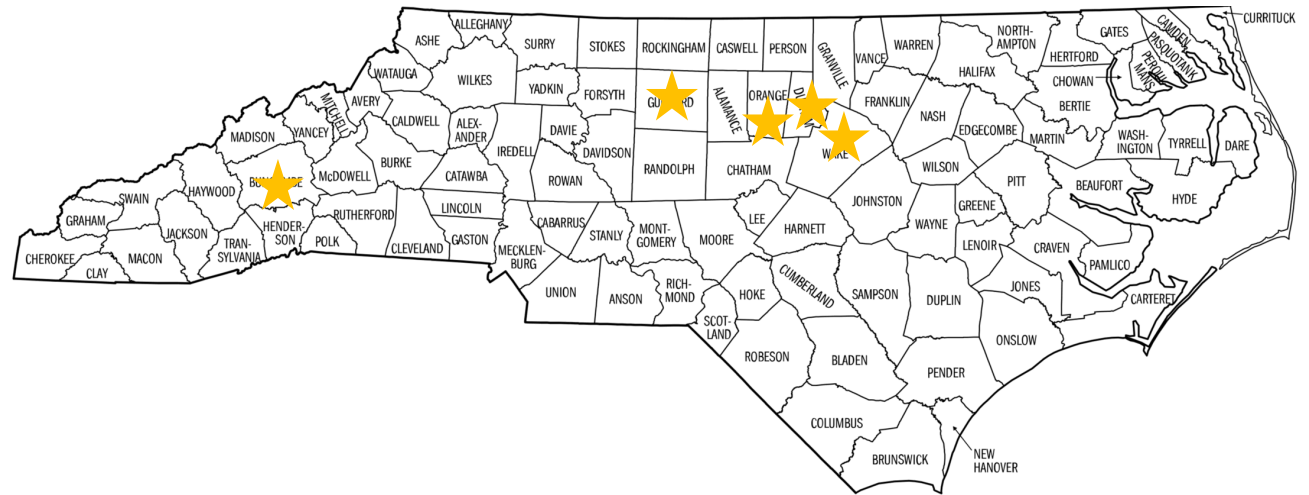
CRL

Retail services through credit unions – includes checking/savings, consumer loans
Commercial lending – focus on nonprofits and small businesses
Home lending – direct originations and home loan secondary market program
Community focused real estate development – catalytic revitalization projects
Research and policy – Payday lending, mortgage lending, student loans, auto loans.

SHVF MANAGED-AHLFS ACROSS NORTH CAROLINA

CURRENT AFFORDABLE HOUSING LOAN FUNDS:

- Durham Affordable Housing Loan Fund (\$10M fund – Launched in 2019)
- Wake Affordable Housing Preservation Fund (\$61.6M fund – Launched in 2022)
- Greensboro Housing Loan Fund (\$21M fund – Launched in 2024)
- Western North Carolina Affordable Housing Loan Fund (\$40M fund – Launched in 2025)
- Chapel Hill Affordable Housing Fund (\$20M fund – Launched in 2025)



WINSTON-SALEM/FORSYTH CO. HOUSING LOAN FUND

WINSTON-SALEM/FORSYTH COUNTY HOUSING LOAN FUND

\$40MM, 20-year fund administered by Self-Help Ventures Fund

BRIDGE FINANCING FOR ACQUISITION:

- Low interest, 1 to 5-year terms
- Up to 110% acquisition cost
- Revolves 4x to support multiple acquisitions over 20-year life

GAP FINANCING FOR DEVELOPMENT:

- Low interest, 15-year terms
- Up to 25% of total project costs enabling \$120MM of project finance

The Fund builds on community investment with private capital to create and preserve affordable multifamily rental housing.

It is a flexible tool that can grow and adapt to changing needs over time.

CONTACTS

Winston-Salem Foundation Contacts

Elaine Summerfield
Vice President,
Community Impact
esummerfield@wsfoundation.org

Self-Help Housing Fund Contacts: Investment

James Ruggiero
Director of Capital Development
james.ruggiero@self-help.org

Katie Little
Senior Associate Capital
Development
katie.little@self-help.org

Self-Help Housing Fund Contacts: Lending

Sarah Delamar
Housing Program Associate
sarah.delamar@self-help.org

JJ Froehlich
Housing Sector Leader
john.froehlich@self-help.org