

Creating Homeownership Opportunities for Long-Time West Louisville Residents

Since 2017, the [Housing Partnership Fund](#) (HPF) has pioneered the use of [New Markets Tax Credits](#) (NMTCs) to subsidize development and sale of single-family homes, making them more affordable to homebuyers with low or moderate incomes. Equity raised through the [Housing Partnership Network](#) (HPN)'s NMTC allocation provides a flexible subsidy to increase homebuilding, reduce the cost of home buying, and strengthen the local economy.

Recently, HPF made a NMTC investment to boost single-family homeownership among individuals and families of color as part of a cornerstone initiative of [The Housing Partnership, Inc.](#) (HPI). HPI aims to make homeownership less costly than renting and revitalize disinvested neighborhoods west of Louisville's infamous "9th Street Divide."

“Innovative financing from HPN’s CDFI, the Housing Partnership Fund, is making it easier for us to build back better and to move renters into homeownership where they live.”
-- Andrew Hawes, President & CEO

Overview




HPI is the first nonprofit real estate organization in Louisville, Kentucky to use NMTCs to develop for-sale single-family homes. **Beyond the 9th** is a multi-year, at-scale initiative to stabilize severely economically distressed and historically redlined West Louisville neighborhoods. It identifies investments that will provide new affordable homeownership opportunities while stabilizing home values of adjacent owner-occupied homes to create blocks or nodes of increased owner-occupancy.



Exterior of 2202 W. Oak Street - sold on April 30th, 2021

In partnership with HPF and HPN, HPI is using a \$6 million NMTC allocation to renovate 60 vacant and expired 9% Low-income Housing Tax Credit (LIHTC)-subsidized, scattered-site single-family rental units and convert them into owner-occupied homes. In addition to allocating NMTCs, HPF provided a \$1.5 million leverage source loan in partnership with the Community Foundation of Louisville. The leverage source loan provides HPI the capital needed to access the NMTC net benefit (subsidy).

The homes are expected to be completed in 2022 at a total cost of \$7.8 million, with the total proposed home sales valued at \$6.2 million. The NMTC equity fills the development cost gap, making this project feasible. While HPI launched **Beyond the 9th** in 2016, the need has become even more pressing after the tragic murder of Breonna Taylor and the rise of the Black Lives

Organization 	Impacted Location Louisville, KY	HPF/HPN Investment \$6M NMTC Allocation \$1.5M Leverage Source Loan	Key Partners  
	Homes Rehabilitated 60	Investment Term 36 Months	



Interior of 2202 W. Oak Street - completed and sold on April 30th, 2021 under HPI's Beyond 9th: Revitalizing West Louisville Through Strategic Homeownership Initiative

Matter movement. HPI, along with partner nonprofits, community organizations and Louisville Metro, have focused significant resources on West Louisville with the aim to address a legacy of historic racism.

Impact

The long-term goal of *Beyond the 9th* is to provide wealth-creating opportunities to predominately black communities and reestablish homeownership in historically redlined neighborhoods, increasing the homeownership rate to an estimated 40% from its current rate of 24% in many years.

The homes will be sold at an average price of \$103,000, in line with the rising market and in keeping with neighborhood revitalization efforts. They will be affordable to households earning between 50-80% of the Area Median Income, with monthly payments ranging from \$360 to \$628 per month. HPI will also help homebuyers secure down payment assistance.

About HPN/HPF

The Housing Partnership Network (HPN) is a national collaborative of 100+ leading housing and community development nonprofits as well as an Aerie-rated AA Four Stars Policy Plus CDFI. Through practitioner-

driven peer exchange, policy work and innovation, HPN's mission is to leverage the individual strengths and mobilize the collective power of our member organizations. Our vision is that all people live in vibrant and inclusive communities where access to affordable homes creates opportunity and economic mobility.

One of HPN's most successful ventures is the Housing Partnership Fund (HPF). Since 2001, HPF has provided \$160MM of capital to 52 HPN members for the development and operation of affordable housing and community development. To date, HPF has helped HPN members unlock over \$70MM in New Market Tax Credit tax allocations to make single-family homes more affordable and accessible.

About HPI

Founded in 1990, [The Housing Partnership, Inc.](#) (HPI) is a 501(c)3 non-profit real estate development organization that creates affordable housing opportunities to encourage family stability, support communities, revitalize neighborhoods, and empower the local economy. Since its inception, HPI has leveraged over \$1 billion in new affordable housing development through public and private partnerships and has built over 10,000 affordable housing units that serve low-income individuals and families.