

Virginia



Armstrong Renaissance 20 Home Affordable Homeownership Project

Richmond, VA (2023)

The City of Richmond's largest nonprofit community development corporation, Better Housing Coalition (BHC) has revitalized several historic neighborhoods and developed new ones in Richmond and surrounding cities. A primary focus is developing high quality, affordable and well-located properties and renting or selling them affordably. BHC changes lives and transforms communities through high quality affordable housing.

NMTC investment enables Better Housing Coalition to develop 20 of 36 total homes in its mixed-income subdivision which is part of a larger 265 unit housing development in Richmond, VA.

FINANCING

NMTC Financing: The Housing Partnership Network, Inc., in collaboration with its partner, Smith NMTC Associates, LLC: \$8 million
Equity Investor: U.S. Bancorp Community Development Corp.
Total Project Cost: \$10.9 million

IMPACT

- 115 construction jobs
- 20 affordable homes

COMMUNITY

- Poverty rate is 19.9%
- Median Income: 43.8% of the AMI 67% of the community is Black and only 40% of the resident families own their own home.

Through this project, BHC was able to support 20 low- to moderate-income families realize the dream of homeownership, four of whom had family income at or below 80 percent AMI. They received down payment assistance ranging from \$15,000 to \$50,000. BHC's buyers' incomes range from 60 percent to 120 percent of the AMI to ensure that BHC creates a mixed-income neighborhood that does not isolate low-income families in one low-income community. Three buyers with incomes between 80% and 120% received down payment assistance up to \$15,000 to make the home affordable for their family. All of BHC's buyers with incomes below 80 percent of the AMI receive homebuyer education and financial counseling. Purchasing their new homes, these primarily BIPOC homebuyers immediately created equity and wealth: which will improve their lives and the lives of generations to come.

This project helped disrupt the historic systems and policies in the region that have created the racial wealth gap. Of the homeowners, 85% identify as BIPOC. All the efforts created to support first-time homebuyers and modest-income individuals have resulted in a diverse and inclusive community. With a total project cost of almost \$11 million, BHC had to fill the gap between total development costs and an affordable price. The NMTC net benefit filled that gap. Without it, the project would have been delayed which results in increased development costs and risks rising interest rates for buyers, creating additional barriers to access to homeownership difficult for low- to moderate-income families to purchase a home. The homes were completed and sold in June 2024. The community is thriving and all of the first-time homeowner families are enjoying the summer in their new three or four bedroom homes.

“Without the NMTC allocation, the timeline of our project would have been much longer, resulting in higher prices and less subsidy for first-time homebuyers.”

-Greta Harris, CEO of Better Housing Coalition.