

Innovative Housing Manufacturer Financing Loan Program Comparison

	Innovative Housing Incentive Program (IHIP)	Proposition 123 Modular Finance Program
		
Program Benefits	<ul style="list-style-type: none"> Below-market interest rates Flexible financing terms, including traditional loans and/or Cash Collateral Support Use of funds includes, but is not limited to, equipment and real estate improvements 	
Eligible Borrowers	<ul style="list-style-type: none"> New or existing for-profit or nonprofit modular or factory-build innovative housing manufacturers Borrower's primary manufacturing location is in the state of Colorado Out-of-state applicants are eligible to apply if the facility being funded is located within Colorado. 	
	Existing manufacturers: Funds may only be utilized to expand existing facilities	Prioritizing existing manufacturers who need financial support or new manufacturers that can increase the supply of affordable units in less than 12 months of an award.
Eligible Projects	<ul style="list-style-type: none"> New or existing innovative housing manufacturing facility located in Colorado. The end-product innovative unit that is produced must be attached to a permanent foundation. Eligible product types include panelized, tiny homes, kit homes, and potentially 3D-printed homes (if there's an off-site component) 	
Available Funds	\$20 million	\$18 million
Eligible Uses	<ul style="list-style-type: none"> Development of new housing manufacturing facility and expansion of existing facilities Equipment Real estate improvements 	
	Existing manufacturers: Funds may only be utilized to expand existing facilities	Additional uses include: Working capital, inventory, raw materials, factory production deposits, leased-facility deposits, other uses approved by CHFA and OEDIT
Program Limits	Loans may not exceed 10 years or the length of the program term	Loans may not exceed 10 years
Maximum Loan Limits	\$10,000,000	\$5,000,000
Interest Rates and Fees	<ul style="list-style-type: none"> Borrowers will propose an interest rate, term, and lien position 1% Origination Fee Cash Collateral Support Fee: 3% of deposit amount for 3 years Standard loan closing costs Environmental Report required for transactions greater than \$750,000 and secured by real estate \$40,000 legal counsel and \$15,000 construction monitoring 	
	\$5,000 Commitment Fee required for all loans	<ul style="list-style-type: none"> \$5,000 Commitment Fee required for construction loans only Partial loan balances may be forgiven if agreed performance metrics are achieved.
Priorities	<ul style="list-style-type: none"> Number of units produced and percentage of affordable units Economic impact and/or jobs created by the manufacturing facility Environmental Sustainability and energy efficiency of units produced 	
	<ul style="list-style-type: none"> Level of economic distress in the community measured through unemployment, poverty rates, etc. Financial assistance for existing facilities 	<ul style="list-style-type: none"> Existing manufacturers and new facilities with final financing needs. New manufacturers that are able to increase the supply of affordable units in less than 12 months of an award Sustainability and energy efficiency of units produced: At a minimum, all units should be manufactured to be Electrification-ready, including providing the necessary panel capacity and wiring for all appliances, potential solar and EV-ready/charging. In addition, to the extent that it can be completed by the applicant, all units produced for a project in Colorado should be manufactured to the 2021 IECC Standards.