

# Navigator Pre-Development Loan

## FREQUENTLY ASKED QUESTIONS



### What types of expenses does the Navigator Pre-Development Loan cover?

For projects targeting high performance building standards like passive house, all pre-development costs are eligible, including legal, environmental and permit fees.

If you want to understand what implementation approaches to take, Navigator finances the pre-development activities needed to assess, design, and scope energy and resiliency upgrades, including the following items:

- Energy benchmarking, opportunity assessments, and audits
- Green/integrated physical needs assessments
- Green charrettes
- Assessments of energy-related health and safety and resiliency issues
- Design, engineering, and bidding work
- Costs to secure project financing for the improvements
- Other reasonable expenses needed to get your energy project designed and funded

### Who can use the Navigator Pre-Development Loan?

Affordable and market-rate multifamily properties with five or more units that are improving energy performance and resiliency can apply for Navigator Loans. Co-ops, condominiums, and rental properties are all eligible. Buildings owned by nonprofits and municipalities are also eligible, including community centers and houses of worship. Loans can be for new construction or existing buildings.

### What are the size limits of the Navigator Pre-Development Loan?\*

The Navigator Pre-Development Loan has a maximum loan amount of \$2,000,000 and a minimum of \$50,000. IPC may consider higher or lower loan amounts; contact IPC at [Info@Inclusiveteam.org](mailto:Info@Inclusiveteam.org) for details.

### What are the rates and terms of the Navigator Pre-Development Loan?\*

The interest rate for Navigator can be as low as 5.50% based on property affordability and green building targets. The Navigator Loan carries a 2% closing fee, which may be included in the loan amount. The standard term is 24 months, with repayment of all principal and interest due at the end of that period or upon project funding, whichever is sooner.

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### What factors may be considered by IPC in determining the Navigator Loan rate?\*

Navigator interest rates can be as low as 5.50%. Preferred rates are available for:

1. Projects that seek Green Building Certifications (such as Energy Star, LEED, or Passive House) or other similar standards that promote sustainable, healthy, and resilient buildings.
2. Affordable multifamily properties that serve low- and moderate-income residents, including naturally occurring affordable housing (NOAH).
3. Projects that utilize additional IPC loan programs (such as Catalyst or Solar PPA) to finance construction or implementation costs, or both.

### How do I apply for the Navigator Pre-Development Loan?

The Navigator application is a simple, two-step process:

1. To get started, submit your contact information and basic financial information and projects details online to IPC.
2. If IPC staff determines the project is eligible based on review of the intake materials, you will be invited to submit a full program application.

### How are contractors and vendors vetted?

Your pre-development project team must include at least one independent qualified energy consultant or design professional. This professional should either have a nationally recognized license or certification such as LEED-BD+C, CPHC, RESNET Rater, or be a professional architect or engineer with at least three years of demonstrated relevant experience. If you have questions about contractors and vendors, please contact a Navigator Loan officer.

### How much of my project's pre-development costs can Navigator fund?\*

The Navigator Loan can fund up to 80% of eligible pre-development costs.

### What are the repayment terms of the Navigator Pre-Development Loan? \*

The standard term is 24 months, with repayment of all principal and interest due at the end of that period or upon project funding, whichever is sooner. IPC approves interest rate reduction incentives once green building and affordability targets are verified.

### If I want to move forward with the recommendations of Navigator-funded pre-development work, does IPC offer project financing?

Yes. IPC's Catalyst Loan finances energy and resiliency improvements in multifamily, nonprofit, and municipal buildings. Catalyst Loans provide construction and term financing to decarbonize buildings, improve health, safety, and economics, and comply with local building energy-efficiency requirements. The Catalyst Term Loan is underwritten based on projected operating cost savings from the installation of the proposed improvements and the project's overall financial strength.

### Who do I contact with questions on the Navigator Pre-Development Loan?

If you have any questions about the application process or terms of the Navigator Pre-Development Loan, please contact IPC at [Info@Inclusiveteam.org](mailto:Info@Inclusiveteam.org).

\*Terms and rates are subject to change.

**[To learn more and apply, visit www.inclusiveprosperitycapital.org/navigator](http://www.inclusiveprosperitycapital.org/navigator)**

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