

## LOAN TERMS FOR SEMIPERM

	<b>SEMIPERM LOAN TERMS</b>
<b>Term</b>	5 to 15 years, including extensions
<b>Interest Rate</b>	Favorable, competitive rates. Please call to inquire about current rates
<b>Eligible Borrower</b>	Providers of affordable and workforce housing, including nonprofit and for-profit organizations
<b>Eligible Uses</b>	<ul style="list-style-type: none"> <li>• Predevelopment, acquisition, construction, and rehabilitation of affordable and/or workforce housing rental projects</li> <li>• Financing or refinancing to preserve affordability</li> </ul>
<b>Housing Type</b>	Multi-Family rental, or ownership, or other critical housing as determined by the Board
<b>Project Funding Preferences</b>	<ul style="list-style-type: none"> <li>• For new construction, as well as acquisition and/or rehabilitation to convert market units to permanently affordable</li> <li>• For projects providing deeper affordability and a greater number of units</li> <li>• For projects in areas that include, but are not limited to: disadvantaged communities, infill development, and high/low resource and high segregation and poverty areas</li> <li>• For high-density developments in Location Efficient Communities</li> <li>• For projects with proximity to public transportation</li> </ul>
<b>Affordability Targeting</b>	<ul style="list-style-type: none"> <li>• Up to 120% AMI (subject to restrictions on fund sources)</li> <li>• HEART will require affordability covenants on a minimum number of units that is commensurate with its level of participation</li> </ul>
<b>Loan Maximum</b>	Dependent on project financials, source of repayment, and term of loan
<b>Fee</b>	<ul style="list-style-type: none"> <li>• 1.5% of loan amount, \$1,000 of which is due at time of application</li> <li>• Borrower is responsible for lender's legal fees and all third-party costs</li> <li>• Additional fees apply for loan extensions</li> </ul>
<b>Security/Lien Position</b>	<ul style="list-style-type: none"> <li>• Secured by real property, letter of credit, or interest in other acceptable collateral</li> <li>• May subordinate to other loans subject to project financials, source of repayment and term of loan</li> </ul>
<b>Repayment</b>	<p>Repayment Options</p> <ol style="list-style-type: none"> <li>a. Interest payments only, deferred principal payment until end of term</li> <li>b. Principal and interest payments over fixed year 5- to 15-year term based on 30-year amortization schedule with balloon payment at maturity</li> <li>c. Amortized principal and interest payments</li> </ol>

<p><b>Extension</b></p>	<ul style="list-style-type: none"> <li>• Loans may be extended for a total term not to exceed 15 years at the discretion of HEART Board</li> <li>• Additional fees apply</li> <li>• Subject to interest rate increase</li> </ul>
<p><b>Loan to Value</b></p>	<p>Negotiable, subject to project financials, source of repayment and term of loan</p>
<p><b>Debt Coverage Ratio</b></p>	<p>Negotiable, subject to project financials, source of repayment and term of loan</p>
<p><b>Affordability Covenant</b></p>	<p>Required for 55 years of affordability, but will defer to deed restriction of other funder that satisfy HEART requirements provided they are recorded at closing of permanent financing</p>
<p><b>Recourse / Non-Recourse</b></p>	<p>Negotiable, subject to project financials, source of repayment and term of loan</p>