

LOAN TERMS FOR QUICKSTART

	QUICKSTART (QS) TERMS
Term	Up to 5 years
Interest Rate	Favorable, competitive rates. Please call to inquire about current rates
Eligible Borrower	Providers of affordable and workforce housing, including nonprofit and for-profit organizations
Eligible Uses	<ul style="list-style-type: none"> • Predevelopment, acquisition, construction, and rehabilitation of affordable and/or workforce housing • Financing and refinancing to preserve affordability
Advantages	<ul style="list-style-type: none"> • For short-term gaps in development process – acquisition, predevelopment, construction phases • Accessible and quick approvals
Housing Type	Multifamily-rental or ownership or other critical housing if/as determined by finding of the Board.
Project Funding Preferences	<ul style="list-style-type: none"> • For new construction, as well as acquisition and/or rehabilitation to convert market units to permanently affordable • For projects providing deeper affordability and a greater number of units • 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 • For high-density developments in Location Efficient Communities • For projects with proximity to public transportation
Affordability Targeting	<ul style="list-style-type: none"> • Up to 120% AMI • HEART will require affordability covenants on a minimum number of units that is commensurate with its level of participation
Loan Maximum	Dependent on project financials, source of repayment, and term of loan
Fee	<ul style="list-style-type: none"> • Origination Fee: 2% of the loan amount for loans of up to \$2 million; 1.5% for larger loans • Application Fee: \$3,000 non-refundable (will be applied to origination fee at loan closing) • Borrower is responsible for lender’s legal fees and all third-party costs • Additional fees apply for loan extensions
Security/Lien Position	<ul style="list-style-type: none"> • Secured by real property, letter of credit, or interest in other acceptable collateral • May subordinate to other loans
Repayment	<ul style="list-style-type: none"> • Principal payments – deferred, balloon payment at maturity • Interest payments – favorable structure depending on project, please call for information

Loan to Value	Negotiable, subject to project financials, source of repayment and term of loan
Debt Coverage Ratio	Negotiable, subject to project financials, source of repayment and term of loan
Affordability Covenant	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
Recourse / Non-Recourse	Negotiable, subject to project financials, source of repayment and term of loan