

Affordable Housing and Community Facilities Lending Terms

Loan Product/Credit conditions	Pre-development	Acquisition	Construction to Permanent	Bridge
Purpose (Uses)	Pre-acquisition or post; covering permitting, third party reports, inspections, and other pre-construction costs.	Purchase of vacant land, multifamily buildings, commercial buildings for residential or commercial reuse, community facilities, or owner-occupied commercial space.	Construction or rehabilitation of multifamily buildings, commercial buildings for residential or commercial reuse, community facilities, or owner-occupied commercial space.	Short-term financing of acquisition or construction, with identified takeout
Borrower eligibility	For profit or nonprofit developers, nonprofit organizations, small business owners			
Amount	\$50K-\$500K	\$100K-\$1 Million		
Geography	DC, Northern VA and Baltimore metro areas			
Term	Up to 24 months	Up to 7 years	Up to 7 years	Up to 24 months
Rates range (senior notes)	5.5%-6.5%	5.5%-6.5%	5.5%-6.5%	5.5%-6.5%
Rates range (subordinate notes)	NA	6% (CFB) - 9%	6% (CFB) - 9%	6%(CFB) - 9%
Combined maximum LTV (LTC for small business)	Up to 90%	Up to 90%	Up to 90%	Up to 90%
Repayment	Interest only or amortizing	Interest only or amortizing	Interest only or amortizing	Interest only
Subordination	No	Yes, but preference for <input type="checkbox"/> unitranche <input type="checkbox"/> vs 2 separate notes	Yes, but preference for <input type="checkbox"/> unitranche <input type="checkbox"/> vs 2 separate notes	Yes, but preference for <input type="checkbox"/> unitranche <input type="checkbox"/> vs 2 separate notes
Origination/Commitment Fee	1.00%-2.00%			
Modification/Extension fees	0.25-0.50% (subject to cost)			
Other Fees and costs: Legal, UCC/Lien filing fees; appraisal	Covered by borrower, at cost			
Collateral	1st lien or alternative collateral; will consider unsecured in some cases	1st or 2nd lien	1st or 2nd lien	1st or 2nd lien
Debt Service Coverage Ratio (DSCR)	NA	For commercial and nonprofit real estate loans: 1.20x; 1.15x may be allowed in early years, as project stabilizes.		NA
Affordability Covenants	Aim to Obtain affordability covenants of at least 10-15 years, specifically in subordinate debt deals where our rates are below market.			
Guarantee Requirements	Personal Guaranties are required by anyone owning 20% or more of the borrowing entity			