

# Acquisition Financing



**Uses** Acquisition, critical repairs, and green improvements (e.g. water conservation, energy efficiency, and indoor air quality) of operating properties

**Types of Properties** Residential rental, commercial and mixed-use

**Loan Amount** \$300,000 to \$3,000,000

**Term** Up to 5 years

**Amortization** Up to 20 years

**Minimum Interest Rate** 6% fixed

**Repayment Schedule**

- Interest-only payment for a period of up to 18 months
- Full repayment due at earlier of project refinancing or maturity date

**Collateral / Loan-to-Value Ratio**

- Mortgage / deed of trust on the subject property and / or other collateral
- LTV of up to 95% of appraised value for operating buildings based on occupancy
- Recourse to, or guaranty by, NeighborWorks organization

**Fees**

- Origination: 1% of loan amount; half payable at commitment, balance due at closing
- Third-party fees, including appraisal, environmental and lender's legal expenses
- Fees may be capitalized

**Minimum Debt Service Coverage** 1.10

**Subordination** Yes

**Grant Eligibility**

- Up to \$10,000 for technical assistance for energy audits and energy retrofit planning
- Up to \$5,000 for implementation of energy monitoring and reporting system

*For more information:  
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*Terms subject to change. All loans are subject to underwriting and Loan Committee and / or Board approval.*