### Permanent Loans

**Uses**
Purchase, rehabilitation, or refinancing of operating multifamily rental properties, LIHTC-financed rental properties, and mixed-use properties. Commercial properties considered if Sponsoring NWO is a primary tenant.

**Loan amount**
Up to $10,000,000

**Loan term**
8 to 10 years with 30-year amortization
Term may be 18 years for developments with LIHTC (new construction or recapitalization).

**Interest rate**
Please call us for current fixed rates

**Collateral/security**
1st or 2nd position mortgage/deed of trust and assignment of rents on the financed property

**Recourse and guarantee**
Loan will be recourse to the Borrower for any outstanding principal amount greater than 80% of the property value. If the Borrower is an SPE, the Sponsor will provide a repayment guarantee for the same amount. Industry-standard nonrecourse carveout provisions will be applied.

**Loan to value**
Maximum of 95%, based on appraised value with stabilized occupancy

**Payments**
Monthly P&I payments based on 30-year amortization
Debt service payments and replacement reserve deposits made from property cash flow
An interest-only period of up to 24 months may be permitted to allow transition in tenancy, rehabilitation, or rent structure

**Debt coverage**
Minimum DCR of 1.15x for 1st position loans, 1.05x for 2nd position loans
DCR calculation includes replacement reserve deposits

**Replacement reserves**
Replacement reserves will be determined by Property Condition Report, estimating the amount needed for capital investment during the term of the loan. Replacement reserves will be collected, held, and controlled by NeighborWorks Capital.

**Prepayment premium**
Five percent (5.0%) for the first 12 months after closing, declining by 1% annually through the first five years of the loan term. No prepayment penalty after five years.

**Repayment source**
Refinancing or sale of property

**Fees**
Application Fee - $1,000
Origination Fee - 1.00% to 1.50% of Loan Amount
Forward Commitment Fee - 0.50% to 1.00% of the Loan Amount

**Third-party reports**
Appraisal, property condition report, Phase I/II environmental, market analysis (for new development)