NeighborWorks® CAPITAL

# Permanent Loans

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| **Uses** | For the new construction or rehabilitation of a LIHTC development or a NOAH property. Forward commitments also available for up to 30 months. |
| **Loan amount** | $1 million to $7.5 million, with smaller loan requests considered on a case-by-case basis |
| **Loan term** | Minimum term of 15 years, with 18- and 20-year terms available |
| **Amortization** | Typically 30 or 35 years, with a 40-year amortization available on a case-by-case basis |
| **Interest rate** | Please call us for current fixed rates |
| **Collateral/ security** | 1st mortgage/deed of trust and assignment of rents on the financed property |
| **Loan to value** | Maximum of 85%, based on appraised value with stabilized occupancy |
| **Recourse and guarantee** | Loan will be non-recourse to the Borrower, subject to standard exceptions for certain "bad acts" such as fraud. The Project Sponsors may be required to deliver a guaranty covering the non-recourse exceptions. |
| **Payments** | Monthly P&I payments based on amortization<br>Debt service payments and replacement reserve deposits made from property cash flow |
| **Debt coverage** | Minimum DCR of 1.15x for 1st position loans, inclusive of replacement reserve |
| **Prepayment** | Yield maintenance for a minimum of 15 years |
| **Fees** | Application Fee - $1,000<br>Origination Fee - 1.00% to 1.50% of Loan Amount<br>For forward commitments, standard 2% delivery assurance fee will apply. The fee will be refundable if the permanent loan successfully closes and converts. |
| **Third-party reports** | Appraisal, Phase I/II environmental, and market analysis; a property condition report will be required for existing properties. |

> *"I spent six months talking with other lenders and not getting what we needed. In three months with NeighborWorks Capital, we closed on a loan with terms that worked for everyone."*
>
> **Sal Steven-Hubbard,** Real Estate Development Director
> Lakes Region Community Developers


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