

# Affordable Housing Predevelopment Loan Term Sheet



## Terms

- 12-24-months; matures upon closing of construction financing.
- Up to \$1,000,000.
- Monthly draws with proceeds wired directly to 3rd party vendors or reimbursed to borrower
- Interest due debited from loan proceeds on the 15th of every month.

## Fees

- No application fee.
- 1% loan fee due at closing.
- Documentation fee estimated not to exceed \$4,000.

## Use of Funds

Any soft cost to be reimbursed at construction closing from budget lines other than developer fee, such as:

- Environmental reports
- Option fees
- Architectural/engineering
- Legal
- Tax credit reservation fees

## Eligible Developments

Rental housing developments utilizing Low-Income Housing Tax Credit (LIHTC) financing, with an award of credits received.

## Rate

Fixed interest rate locked at time of approval. Rate is 8% as of October 2025.

## Term

12-24 months.

## Collateral

No real estate collateral required with LIHTC reservation. Full recourse to developer/borrower. Increase to maximum loan amount available with additional collateral.