

Construction Loans Program Term Sheet

Description	The Construction Loan provides construction financing for activities undertaken by organizations to develop or rehab affordable housing or community facilities.
Eligible Borrowers	Non-profit, semi public or public entities.
Eligible Property Type	Acquisition/rehabilitation or new construction of affordable multifamily, single family or community facility properties.
Affordability Requirements	<p>Affordability to be guaranteed for the original term of the loan.</p> <ul style="list-style-type: none"> • At least 51% of the rental units are rented to households earning 80% of less of median income as defined by HUD; or • At least 40% of the rental units are rented to households earning 60% of less of median income as defined by HUD; or • At least 20% of the rental units are rented to households earning 50% of less of median income as defined by HUD. <p>CASA shall use data published periodically by the Department of Housing and Urban Development (HUD) as a guideline for measuring median income levels in specific regions of the state, and further for determining affordability levels for those regions.</p>
Loan Amount	Up to \$1,000,000
Loan to Value (LTV)	Up to 70% of "as-built" value of property
Debt Coverage Ratio (DCR)	1.10 on all scheduled debt service payments
Recourse to the Borrower	There is full recourse to the borrower
Security	First lien deed of trust on the property

Interest Rate	Five percent per annum (5%)
Term	Up to 24 months
Payments	No monthly payments. Principal and accrued interest due up to 30 days following completion of construction.
Prepayment	No prepayment penalty
Fees	1% loan origination fee
Commitment	Up to 18 months
Commitment Extension	An additional 6 months beyond original Commitment
Third Party Reports	Appraisal of property as-is and as-built Capital Needs Assessment Phase I Environmental Report Market Study

Please contact CASA for questions related to your request or if you require additional information.

Note: Loan terms are subject to change