



CONSTRUCTION LOANS

PROGRAM TERM SHEET

Description	The Construction Loan Program provides construction financing for activities undertaken by organizations to develop 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
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	Principal and accrued Interest due up to 30 days after construction completion.
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 as-is and as-built Phase I Environmental Report Capital Needs Assessment Market Study
Underwriting Checklist	<ol style="list-style-type: none"> 1. Signed Letter of Interest 2. Good Faith Deposit 3. Preliminary Title Report with copies of all exceptions 4. Financial Pro forma inclusive of Income and Expense Statement and Statement of Sources and Uses 5. Sponsor / General Partner financial information <ol style="list-style-type: none"> a. Financial Statements for the last three fiscal years inclusive of Income and Expense Statement, Balance Sheet and Statement of Cash flows (preferably audited) b. Year-to-date Financial Statement inclusive of Income and Expense Statement and Balance Sheet (dated within last three months) c. Current year budget and projected budget for next year (if available) d. Statement of Contingent Liabilities e. Schedule of Real Estate Owned (Form Attached) 6. Market Study 7. Appraisal 8. Capital Needs Assessment 9. Plans and Specifications 10. Environmental Phase I – 11. Subsidy Documents from Non-OHCS Funding Sources 12. Information about property management agent/plan 13. Development team information 14. Borrower organizational documents and Community Rules. 15. Consolidated Funding Cycle and or RD Application (if applicable)

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