

Apartments - New Construction, Rehab, Acquisition or Refinance Lending Pool

DESCRIPTION

First Housing Development Corporation provides competitive financing for affordable or redevelopment projects in Florida for the acquisition or refinance of constructed or substantially rehabilitated multifamily properties.

BENEFITS / FEATURES

- **One closing for construction and permanent loan.**
- **Permanent interest rate is locked prior to or at construction closing.**
- **No rate lock or delivery assurance fees.**
- **No conversion risk. Loan automatically converts at end of construction period.**
- **Up to 35 year amortization.**
- **1% prepayment penalty as long as First Housing holds the loan.**
- **Option to refinance into a First Housing low interest HUD/FHA loan without a prepayment penalty.**

OPTION 1 - 30-Year Amortization

LOAN AMOUNT: Lessor of: (i) 85% of restricted value or ii) 80% of market value; but in no case not to exceed 85% of purchase price.

DEBT SERVICE COVERAGE: Minimum 1.20x.

AMORTIZATION: 30 years for most properties.

OPTION 2 - 35-Year Amortization

LOAN AMOUNT: Lessor of: (i) 80% of restricted value or ii) 75% of market value; but in no case not to exceed 80% of purchase price.

DEBT SERVICE COVERAGE: Minimum 1.20x.

AMORTIZATION: 35 years for most properties.

LOAN STRUCTURE

LOAN TERM: New Construction/Rehabilitated: Up to 16.5 years.
Includes 18-month construction term that can be extended up to 30 months.
Refinance/Acquisition: Up to 15 years.

ORIGINATION FEES: 1% of Construction Loan Amount and 1% of Permanent Loan Amount.

RECOURSE: Permanent Loan is nonrecourse with standard recourse carve outs.

PERMANENT RATES: Term over 10 years: 10 Year Treasury plus 265 bps with a floor.
Rate may be locked after Borrower's Acceptance of Commitment.
Term under 10 years: TBD

CONSTRUCTION RATES: 30-Day LIBOR plus 250 basis points with a floor.

OPTIONAL FEATURES

PREPAYMENT: No Yield Maintenance while First Housing holds the Note.

ASSUMABILITY: Fully assumable with Lender's consent.

SUBORDINATE FINANCING: Soft second allowed.

GUARANTEES: Construction Completion and Payment and Performance, if applicable.