



## Supportive Housing Fund Loans

**Purpose:** Acquisition, predevelopment or permanent supportive housing

**Project Types:** Type 1: Projects that commit at least 50% of the units within the project as a combination of PSH and/orRRH units OR Type 2: Projects that have an affordability structure resulting in an average affordability of 45% Area Median Income (AMI) and commit a minimum of 1/3 of the affordable units as a combination of PSH or RRH, and 1/3 of the affordable units for households earning up to 80% AMI. The County of Santa Clara must be in support of the project.

**Eligible Borrowers:** Non-profit organizations, limited partnerships and single asset entities with non-profit sponsors, and mission-aligned for-profit entities

**Geography:** Santa Clara County

**Loan Amount:**

- Up to \$8 million secured by real estate
- Up to \$800,000 secured by corporate guaranty

**Term:** 3 years maximum

**Interest Rates:** Up to 2%. Housing Trust may leverage SHF funds with other funds, which results in a blended rate greater than 2%.

**Fees:**

- Origination Fee - 2% of loan amount for loans up to \$2 million and 1.5% for larger loans; \$5,000 to \$10,000 non-refundable application fee (will be applied to origination fee at loan closing)
- Borrower is responsible for lender's legal fees and all third party costs

**Collateral:**

- 1st deed of trust on real estate secured loans
- Other collateral as appropriate

**Loan-to-Value:**

- Acquisition/secured predevelopment: Maximum 100% LTV (As Is value)
- Housing Trust will ensure reasonable parameters based on underlying project and sponsor profile.

**Repayment:** Interest only, payable monthly, interest may be capitalized through interest reserve at the time of loan closing and paid out of loan proceeds. Principal will be due at the earlier of construction or county financing or the maturity date.

**Recourse/Guaranties:** To borrower and, at Housing Trust's discretion, to sponsor or parent company

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