

TERM SHEET: Acquisition Loans

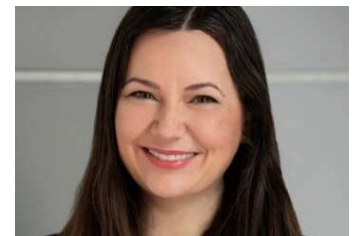
PURPOSE	Acquisition
PROPERTY TYPES	Land and/or building
ELIGIBLE BORROWERS	Nonprofit or mission-aligned for-profit corporations, and limited partnerships, single asset entities and joint venture partnerships comprised of such entities, with a track record of developing affordable housing.
GEOGRAPHY	Alameda, Contra Costa, Marin, Monterey, Napa, Sacramento, San Benito, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma, and San Joaquin counties
LOAN AMOUNT	Up to \$15,000,000
LOAN PROCEEDS	Loan proceeds may be used for the acquisition of vacant land or improved property.
TERM	Up to 5 years, including extensions
INTEREST RATES	Fixed interest rate: 5% – 6%
APPLICATION FEE	\$15,000 non-refundable application fee (will be applied to origination fee at loan closing)
ORIGINATION FEES AND THIRD-PARTY COSTS	<ul style="list-style-type: none"> • 1.5% for loan amounts up to \$1,500,000 • 1.25% for loan amounts over \$1,500,000 and under \$5,000,000 • 1% for loan amounts \$5,000,000 and over Borrower is responsible for lender’s legal fees and all third-party costs
INTEREST PAYMENTS & REPAYMENT OPTIONS	<ul style="list-style-type: none"> • Interest only • Amortizing principal and interest payments Interest capitalized through interest reserve at the time of loan closing and paid out of loan proceeds, subject to underwriting. Principal will be due at the earlier of take out closing or maturity.
SECURITY	All loans will be secured by a first deed of trust on the development site.
LOAN-TO-VALUE	Up to 80% of the lesser of the as-is appraised value or the purchase price. Loan-to-value over 80% may be considered at Lender’s discretion.
THIRD PARTY REPORTS	May include FIRREA-compliant appraisal, Phase I environmental assessment, geotechnical survey, property condition report, plan and cost review for proposed scope of work, and other reports as required by Lender.
FUTURE DEVELOPMENT PLAN	Required underwriting materials may include letters of interest from other funding sources, including market-rate and subsidized debt and equity providers.
ZONING	Evidence that the project, as proposed, is permissible under applicable zoning ordinances or regulations. Alternatively, Lender may consider a realistic proposed plan of action for making the project permissible under applicable zoning regulations.
CLOSING	Usually 90 days from initial conversation, depending on timely receipt of due diligence materials from Borrower.
RECOURSE	To Borrower
GUARANTOR	Sponsor, parent company, and/or personal guaranty, subject to underwriting
COVENANTS	Standard for this loan type. All loans will include project milestones to be met with regard to architectural work, filing plans, entitlements, funding applications, etc.
PRE-PAYMENT PENALTY	None



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