



Special Needs Housing

Nonprofit Development/Owner

or

For profit/Nonprofit Joint Venture

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| Type | Acquisition, rehabilitation and permanent loans |
| Term | Up to 30-year maturity, 30-year amortization |
| Loan Fees | 1% - 2% of the loan amount |
| Interest Rate | <p>Fixed rate based upon Treasuries with maturities comparable to the loan term plus a minimum of 2.00%.</p> <p>An interest rate lock is available for a maximum period of 2 years for a fee of .25% of the approved loan amount. The interest rate is set at the time of the election to lock, at a rate equal to a minimum of 2.25% over Treasuries of the same period as the loan term.</p> <p>Please contact Dulcie Claassen at 206-622-6322 or Susan Duren at 206-292-0689 for current rates.</p> |
| Security | First Deed of Trust |
| Loan-to-Value | The lower of 80% maximum of appraised value or allowable debt service with reasonable expenses which include acceptable amounts included for reserve for replacement and management expense (90% of all debt.) |
| Debt Service Coverage | A minimum of 1.20:1 on WCRA debt - 1.10:1 minimum total debt. At funding, debt service is based on the current rents and income annualized and the appraiser's vacancy/credit loss and expenses. All appraisals must be dated less than 12 months prior to the closing. |
| Prepayment Penalties | FNMA guidelines; 1% thereafter |
| Maximum/Minimum Loan | \$7.5 million, no minimum |
| Rent Regulatory Agreements | Yes; affordability maintained for life of loan |
| Other Conditions of Funding | Nonprofit borrowers who obtain the majority of their construction funds from either a public source or tax credit investor are able to obtain their permanent loan prior to certificate of occupancy to complete construction. The WCRA requires a third party inspection of the plans and specifications, improvements (to date) and review of the budget and draws (to date) to assure the project funds are in balance and there are sufficient funds available to complete. |