

Small Mortgage Assistance Program (SMAP) Term Sheet

Program:	Small Mortgage Assistance Program
Eligible Projects:	<p>1) Affordable Rental Housing defined by the Low Income Housing Tax Credit Program</p> <p>2) Twenty or more units</p> <p>3) Be located within the Commonwealth</p> <p>4) Provide a permanent, decent, safe and sanitary structure for year round residential use on a non-transient basis</p>
Borrower:	Pennsylvania Single Purpose Entity
Loan Sizing:	The loan must be sized using a minimum debt service coverage ratio of 1.15 in the base year. A minimum debt service coverage ratio of 1.0 must be maintained throughout the initial 15 years of project operations.
Loan Term:	18 Years
Loan Rate:	U.S. 10-year Treasury rate plus 250 bps
Credit Enhancement Fee:	None
Amortization Period:	30 Years
Origination Fee:	The greater of 0.5% of the loan or \$1,500
Recourse:	Loan is non-recourse.
Maximum Loan: Minimum Loan:	\$750,000 \$200,000
Environmental Clearance:	Completed by PHFA and is a prerequisite to the start of construction.
Subsidy Layering Review:	Completed by PHFA, when applicable. Subsidy Layering Review fee \$2,000.
Davis Bacon Wages:	Not applicable
AFHMP:	Affirmative Fair Housing Marketing Plan is required.
Loan Closing:	Conducted by PHFA.
Reserve Requirements:	The following reserves must be held by the Agency: Operating Reserve, Development Contingency Fund, Real Estate Tax and Insurance Escrows, and Replacement Reserves.