
SMALL MORTGAGE ASSISTANCE PROGRAM

A limited amount of funds may be available to provide first mortgage financing for the acquisition, preservation and rehabilitation of existing or new construction multifamily housing developments. The program is designed to assist in the preservation and development of small projects greater than 20 units. The Small Mortgage Assistance Program may be coupled with PennHOMES funds to help make the development financially feasible.

Eligible applicants for Agency financing include individuals, joint ventures, partnerships, limited partnerships, trusts, corporations, cooperatives, and condominiums, whether for-profit or nonprofit.

Program Highlights

Minimum Number of Units

The minimum number of units for the Small Mortgage Assistance Program is 20 units.

Maximum Income of Tenants

Affordable rental housing as defined by the Low-Income Housing Tax Credit Program.

Interest Rate

The Agency Small Mortgage interest rate is based upon the U.S. Treasury market. Agency staff may provide an approximate rate for purposes of financial estimates upon receipt of the application. Exact rates will not be available until loan closing.

Financing Fees

An origination fee of 0.5% or \$1,500, whichever is greater, will be charged.

Maximum and Minimum Loan Amount

The maximum amount per development the Agency is willing to loan under this program is \$750,000. The minimum loan amount for this program is \$200,000.

For additional details please see the Small Mortgage Assistance Program's Term Sheet opposite this page.