

**Small Mortgage Assistance Program (SMAP) Term Sheet**

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