

PHFA 80/20 Program



Program	Funding for 80/20 Projects												
Eligible Project	<ol style="list-style-type: none">1. For a market rate project 20% of units must be rented to tenants whose incomes do not exceed 80% of the area median income.2. Twenty-Four or more units3. Occupancy has been no less than 93 percent for the previous 12 months for existing projects4. No default on the loan to be refinanced within the previous 12 months												
Borrower	Pennsylvania single purpose entity												
Loan Sizing	Determined using affordable rents considering existing and future rent restrictions. Confirmation of rents to be addressed a Rent Comparability Study.												
Loan Rate & Term	Indicative permanent fixed interest rate as of April 3, 2019: <table border="1"><thead><tr><th>Term</th><th>Amortization</th><th>Rate</th></tr></thead><tbody><tr><td>20</td><td>20</td><td>5.000%</td></tr><tr><td>25</td><td>25</td><td>5.125%</td></tr><tr><td>30</td><td>30</td><td>5.250%</td></tr></tbody></table> <p>Additional maturity structures are available. Contact the Agency for details. Rates and structure may change due to market changes and development specifics. The above rates are not guaranteed until confirmed by PHFA.</p>	Term	Amortization	Rate	20	20	5.000%	25	25	5.125%	30	30	5.250%
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20	20	5.000%											
25	25	5.125%											
30	30	5.250%											
Servicing Fee	Annual 0.25% of the loan amount paid monthly												
Origination Fee	1.0% of the loan; \$10,000 minimum												
Cost of Issuance	0.625% of Loan Amount												
Recourse	Loan is non-recourse												

Contact for Information:

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Maximum Loan	An amount based on the lesser of the following: 1. Maximum of 80% of the appraised value, as determined by PHFA in its sole discretion, with a debt service coverage ratio not less than 1.25 in year 1 and not less than 1.05 in year 15 using adverse trending.
Third Party Reports	Appraisal, Property Capital Needs Assessment, Energy Audit, and Environmental Site Assessment Phase I All additional information or documentation requested by the Agency. (Third party reports are to be ordered and provided by the borrower.)
Environmental Clearance	Completed by PHFA.
Subsidy Layering Review	Completed by PHFA, when applicable. Subsidy Layering Fee \$2,000.
Special conditions	PHFA will require and hold tax and insurance escrows. PHFA will hold the reserve for replacement funds. The beginning balance will be established after review of the physical needs study by PHFA's Technical Services Division.
Early Termination Processing Fee	A 10% early termination processing fee in the first year following the date of closing and declining one percent each year thereafter with no early termination processing fee after year ten.
Agency Legal Fees	\$27,500 plus any actual closing expenses not to exceed an additional \$2,500
Loan Closing	Conducted by PHFA

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