

PHFA Taxable Mortgage Program



Program	Funding for 9% Tax Credit Deals & Other Taxable Projects												
Eligible Project	<ol style="list-style-type: none">1. A minimum of 20% of the units must be rented to tenants whose incomes do not exceed 80% of the area median income2. Twenty-Four or more units3. Occupancy has been no less than 93 percent for the previous 12 months4. 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 Term	Not to exceed 40 years.												
Loan Rate	Indicative permanent fixed interest rate as of July 9, 2018: <table border="1"><thead><tr><th>Amortization</th><th>Years to Maturity</th><th>Rate</th></tr></thead><tbody><tr><td>30</td><td>30</td><td>5.375%</td></tr><tr><td>35</td><td>35</td><td>5.625%</td></tr><tr><td>40</td><td>40</td><td>5.875%</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>	Amortization	Years to Maturity	Rate	30	30	5.375%	35	35	5.625%	40	40	5.875%
Amortization	Years to Maturity	Rate											
30	30	5.375%											
35	35	5.625%											
40	40	5.875%											
Origination Fee	1.0% of the loan; \$10,000 minimum												
Cost of Issuance	Varies depending on loan size. Contact the Agency for more details.												
Recourse	Loan is non-recourse												

Contact for Information:

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Maximum Loan	An amount based on the lesser of the following: <ol style="list-style-type: none">1. In no event will the loan amount exceed 90% of the appraised value as determined by PHFA in its sole discretion,2. Debt service coverage not less than 1.05 in year 103. Debt service coverage not less than 1.0 in year 15
Equity Take-out	Permitted
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. The minimum required beginning balance will be \$1,000/per unit.
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	\$10,000 or \$5,000 for refinance on existing PHFA loans
Loan Closing	Conducted by PHFA

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