

<b>Program</b>	PHFA MRB - Fixed permanent and construction loan (if needed)															
<b>Eligible Loan Types</b>	Conventional, HUD Risk Share, RD															
<b>Eligible Project</b>	<ol style="list-style-type: none"> <li>1. A minimum of 20% of the units must be rented to tenants whose incomes do not exceed 50% of the area median income or a minimum of 40% of the units must be rented to tenants whose incomes do not exceed 60% of the area median income.</li> <li>2. Twenty-Four or more units</li> <li>3. Occupancy has been no less than 93 percent for the previous 12 months for existing projects.</li> <li>4. No default on the loan to be refinanced within the previous 12 months.</li> </ol>															
<b>Borrower</b>	Pennsylvania single purpose entity															
<b>Loan Sizing</b>	Determined using applicable rents considering existing or future rent restrictions. Confirmation of rents to be addressed by a Rent Comparability Study.															
<b>Source of Funds</b>	<u>Construction Financing:</u> PHFA may issue short term tax exempt bonds using 4% credits or utilize other funding sources to finance construction. <u>Permanent Financing:</u> provided by PHFA															
<b>Loan Rate &amp; Term</b>	Indicative permanent fixed interest rate as of October 10, 2018: <table border="1" data-bbox="576 1289 1226 1465"> <thead> <tr> <th>Term</th> <th>Amortization</th> <th>Rate</th> </tr> </thead> <tbody> <tr> <td>30</td> <td>30</td> <td>5.000%</td> </tr> <tr> <td>35</td> <td>35</td> <td>5.250%</td> </tr> <tr> <td>18</td> <td>30</td> <td>4.750%</td> </tr> <tr> <td>18</td> <td>35</td> <td>5.000%</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	30	30	5.000%	35	35	5.250%	18	30	4.750%	18	35	5.000%
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<b>Servicing Fee</b>	Annual 0.25% of the loan amount paid monthly															
<b>Origination Fee</b>	1.0% of the loan; \$10,000 minimum															
<b>Contact for Information:</b>	Jordan Laird Director of Finance <a href="mailto:jlaird@phfa.org">jlaird@phfa.org</a> 717-780-3843															

<b>Cost of Issuance Fee</b>	0.625% of Loan Amount
<b>Recourse</b>	Permanent loan is non-recourse Construction bridge loan guarantor shall provide unconditional repayment and completion guarantees
<b>Maximum Loan</b>	An amount based on the lesser of the following: <ol style="list-style-type: none"> <li>1. In no event will the loan amount exceed 90% of the appraised value as determined by PHFA in its sole discretion</li> <li>2. Debt service coverage not less than 1.15 in year 1 and not less than 1.0 in year 15.</li> </ol>
<b>Third Party Reports</b>	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.)
<b>Environmental Clearance</b>	Completed by PHFA
<b>Subsidy Layering Review</b>	Completed by PHFA, when applicable. Subsidy Layering Fee \$2,000
<b>Special conditions</b>	PHFA will require and hold tax and insurance escrows. PHFA will hold the reserve for replacement funds. A beginning balance will be established after review of the physical needs study by PHFA's Technical Services Division.
<b>Early Termination Processing Fee</b>	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.
<b>Agency Legal Fees</b>	\$17,500 plus actual closing expenses not to exceed an additional \$2,500
<b>Loan Closing</b>	Conducted by PHFA

**Contact for Information:**

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 717-780-3843