

**Acquisition, Mod. Rehab, New Construction
& Refinance**

Program	PHFA MRB - Fixed permanent and construction loan (if needed)															
Eligible Loan Types	Conventional, HUD Risk Share, RD															
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 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. 2. Twenty-Four or more units 3. Occupancy has been no less than 93 percent for the previous 12 months for existing projects. 4. No default on the loan to be refinanced within the previous 12 months. 															
Borrower	Pennsylvania single purpose entity															
Loan Sizing	Determined using applicable rents considering existing or future rent restrictions. Confirmation of rents to be addressed by a Rent Comparability Study.															
Source of Funds	<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															
Loan Rate & Term	Indicative permanent fixed interest rate as of May 3, 2021: <table border="1" data-bbox="578 1297 1313 1440"> <thead> <tr> <th>Term</th> <th>Amortization</th> <th>Base Rate</th> <th>Servicing Fee</th> <th>All-in Rate</th> </tr> </thead> <tbody> <tr> <td>30</td> <td>30</td> <td>3.050%</td> <td>0.25%</td> <td>3.300%</td> </tr> <tr> <td>35</td> <td>35</td> <td>3.150%</td> <td>0.25%</td> <td>3.400%</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	Base Rate	Servicing Fee	All-in Rate	30	30	3.050%	0.25%	3.300%	35	35	3.150%	0.25%	3.400%
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30	30	3.050%	0.25%	3.300%												
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Origination Fee	1.0% of the loan; \$10,000 minimum															
Cost of Issuance Fee	0.625% of Loan Amount															

Contact for Information:

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Recourse	Permanent loan is non-recourse Construction bridge loan guarantor shall provide unconditional repayment and completion guarantees
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 1.15 in year 1 and not less than 1.0 in year 15.
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.
Special conditions	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. There will be an ongoing lender fee of \$1,000 per year during the life of the loan.
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	\$20,000 plus actual closing expenses not to exceed an additional \$2,500. Outside legal fees may also be charged and will be determined on a project by project basis.
Loan Closing	Conducted by PHFA

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