

INFRASTRUCTURE ACCESS LOAN – DEVELOPER TERM SHEET

For Single-Family Housing for Sale

The below terms are effective for new applications starting in the Spring 2026 Cycle

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| Purpose | Subordinate financing for the installation, replacement, upgrade, or improvement of the infrastructure (streets, sidewalks, water lines, street lights, etc.) portion of a workforce housing development, per competitive process. |
| Funding Source | Act 14 Residential Housing Infrastructure Revolving Loan Fund |
| Eligible Borrowers | Single-family developers that construct or create residential housing. Cities, villages, towns, counties and federally recognized American Indian tribes are not eligible (see Government term sheet). |
| Eligible Projects | <p>New single-family housing for sale that satisfies all the following:</p> <ul style="list-style-type: none"> • Any applicable sewer or water service area plan has been amended if necessary. • Developer has secured necessary finances for total housing development costs not covered by WHEDA loan • All permits and approvals secured • Eligible Governmental Unit has reduced the cost of the eligible project by voluntarily revising ordinances or regulations applicable to the project and revisions that generally apply to residential housing projects within the Governmental Unit on or after January 1, 2020. • Eligible Governmental Unit has updated the housing element of its comprehensive plan within the 5 years immediately preceding the date of application and is in compliance with relevant comprehensive housing plan rules. This condition may be satisfied if, within the 5 years immediately preceding the date of the loan application, the governmental unit adopts an ordinance or resolution certifying that the housing element of its current comprehensive plan provides an adequate housing supply that meets existing and forecasted housing demand in the Governmental Unit. • Eligible Governmental Unit is in compliance with Wisconsin Statutes ss. 66.1001, 66.1001(3), 66.1001(4) regarding the creation, content and amending of its comprehensive plan |
| Eligible Uses | <p>To cover the costs of installation, replacement, upgrade, or improvement of the below infrastructure related to an eligible project. The infrastructure must be or will be owned, maintained, or provided to/or by a governmental unit, or private infrastructure in rural areas if transferred to public use, as determined by the authority, that relates to an eligible project.</p> <ol style="list-style-type: none"> 1. A water distribution system. 2. A water treatment plant. 3. A wastewater treatment plant. 4. A sanitary sewer system. 5. A storm sewer system. 6. A stormwater retention pond. 7. A lift or pump station. 8. A street, road, alley, or bridge. 9. A curb, gutter, or sidewalk. 10. A traffic device. 11. A street light. 12. An electric or gas distribution line. |
| Single Family Affordability Requirements | For housing intended to be occupied by the owner, the estimated annual housing costs, as defined under s. 16.301 (3), do not exceed, or are not expected to exceed, 30 percent of 140 percent of the area median income, with family size determined using the federal imputed income limitation, as defined in 26 USC 42 (g) (2) (C). |

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| | <p>For housing intended to be occupied by the owner, the housing is for purchase by individuals whose annual household income is not more than 140 percent of the area median income.</p> <p>For owner-occupied housing, for the 10-year period commencing immediately after the developer closes on the sale of the housing to the initial owner-occupier, the housing shall remain owner-occupied and may not be sold for a price that exceeds the price paid by the initial owner-occupier, adjusted annually by no more than 5 percent per year, compounded annually.</p> |
| Minimum Set-Aside Units/Lots | All units constructed must meet affordability requirements |
| Loan Amount | <p>The lesser of total infrastructure costs or 33% of the total cost of development of the residential housing supported by the eligible project.</p> <p>*Availability may be limited based on loans previously awarded in each Regional Planning Commission district as outlined in the Award Plan.</p> |
| Rate | <p>0%</p> <p>*Rate determined per application round</p> |
| Term | Matching senior lender(s), with the interest only period to be set at closing with a fixed conversion date in the loan documents. If there is no senior lender, the term will be determined by WHEDA, not to exceed 10 years. |
| Amortization | No amortization expected with principal repayment with sales. |
| Principal Repayment | At each home sale, WHEDA will require repayment equal to the Total Loan Amount x Maximum Sale Price of Subject Unit / Maximum Sale Price of all Units in Development. |
| Loan-to-Value Ratio (LTV) | 100% LTV. |
| Debt Coverage Ratio (DCR) | N/A |
| Credit Enhancements | Unlimited personal or corporate guarantee required if the project's debt exceeds 75% of the project's valuation. A personal guarantee will be required if the senior lender requires a personal guarantee, and a corporate guarantee will be required if the senior lender requires a corporate guarantee. |
| Prepayment Provision | Prepayment allowed, without penalty at any time. |
| Re-subordination | N/A |
| Escrows | N/A |
| Environmental Reviews | N/A |
| Capital Needs Assessment (CNA) | N/A |
| Origination Fee | 0% |
| Loan Structuring Fee (Non-refundable) | 0% |
| Application Fee | 0% |