

EXHIBIT 1 MF F – MULTIFAMILY PRESERVATION LOAN FUND (MFPLF)

MULTIFAMILY RENTAL HOUSING TERM SHEET

Purpose	To be used in conjunction with developments financed with Section 515 multifamily housing. Construction financing is also available for approved developments. Such financing is generally limited to 36 months.
Funding Source	Multifamily Preservation Loan Fund (MFPLF)
Eligible Borrowers	For-profit, qualified non-profits, housing authorities, or other entities meeting criteria established by WHEDA.
Eligible Developments	Section 515 multifamily housing.
Loan Amount	Maximum \$30,000 per unit. Preferred minimum loan size is \$500,000.
Rate	2.50% to 5.00%
Term	Typical for 9% tax credits 15-18 years term. Typical for all other 25-30 year term. NOTE: if the existing Section 515 debt is to be subordinated, the term must match that of the subordinated Section 515 debt.
Amortization	Typical for 9% tax credits 30 year amortization. Typical for all other 25-30 year amortization. NOTE: if the existing Section 515 debt is to be subordinated, the amortization must match that of the subordinated Section 515 debt.
Loan-to-Value Ratio (LTV)	85% for for-profit Borrower. 90% for non-profit Borrower.
Debt Coverage Ratio (DCR)	1.10 minimum.
Credit Enhancements	Typically non-recourse. Construction lending requires either a 15% letter of credit (LOC) or 100% construction performance bond with a 5% LOC, a personal or corporate guaranty may be requested or substituted subject to underwriting. Permanent lending may require a letter of credit, personal or corporate guaranty, additional collateral, etc., based on underwriting.
Prepayment Provision	Allowed at any time.
Escrows	Monthly deposits for real estate taxes, special assessments, and replacement reserves; insurance escrows may be required. Minimum annual replacement reserve requirements are: <ul style="list-style-type: none"> • \$250 per elderly unit • \$300 per RCAC/CBRF unit • \$300 per family unit
Environmental Reviews	Phase I Environmental study, performed and completed by an environmental engineer prior to loan closing.
Capital Needs Assessment (CNA)	A third-party Capital Needs Assessment is required for all developments and must be completed following Rural Development's Statement of Work (SOW).
Origination Fee	1.5% of mortgage loan commitment amount for permanent only financing OR 1.5% of mortgage loan commitment amount for construction and permanent financing.
Loan Structuring Fee (Non-refundable)	One-half of the origination fee is payable upon acceptance of the Mortgage Loan Commitment; this fee is credited toward the loan origination fee at closing.
Application Fee	\$250 Developments of 24 units or fewer. \$500 Developments of 25 units or more. <i>Fees are subject to periodic review and change.</i>