

Affordable Housing Strategic Developer Loan

Purpose	<p>To provide working capital for project-based expenses associated with affordable housing developments.</p> <p>Loan proceeds are restricted for costs associated with borrower's low income development work. Specific properties and affordability restrictions to be listed in closing documentation.</p>
Eligible Borrowers	Certain nonprofit or for-profit affordable housing developers or affiliated entities whose mission is to develop quality affordable housing for low- income populations.
Eligible Properties	Certain affordable residential rental housing properties that are expected to receive a federal low income housing tax credit ("LIHTC") award.
Affordability Requirements	At least 75% of the Borrower's portfolio must be targeted to households earning at or below 80% of the area median income.
Loan Amount	Up to \$5 million.
Loan Term	Up to 3 years.
Interest Rate	Based on current market conditions.
Loan Fees	<p>Origination fee: Up to 1% of loan amount.</p> <p>Borrower is responsible for all third-party legal fees and expenses.</p>
Repayment	Interest-only, payable quarterly. Principal due at maturity.
Collateral & Guaranty	<p>Full repayment guaranty from creditworthy persons or entities acceptable to American Community Capital ("ACC").</p> <p>Pledge of Developer Fees payable to the Borrower and/or any of its affiliates by owners of properties that have received or are expected to receive LIHTC awards and in which a Boston Financial-controlled entity is the investor limited partner or investor member. Projected Developer Fee income throughout the Loan Term must equal or exceed 1.5x the loan amount.</p> <p>Other collateral as determined by ACC.</p>
Prepayment	No prepayment penalty after 12 months.
LIHTC Equity Right of First Offer and Negotiation	While the Loan is outstanding, if the Borrower or an affiliate of the Borrower secures a federal LIHTC award, BF shall have the exclusive right to submit a proposal letter, negotiate, and/or match a third-party offer to syndicate the LIHTC equity.