



Loan Terms

Affordable Housing Permanent Loans: New Construction/Rehab

Centrant specializes in providing conventional first-lien permanent mortgage loans to finance newly-constructed or substantially rehabilitated affordable multifamily housing.

- Immediate funding or forward commitments available
- 9% LIHTC or non-LIHTC subsidized projects eligible
- Streamlined underwriting and approval process
- Step-down prepayment provision, with no yield maintenance period
- Competitive fee structure

To learn how Centrant can assist you today, visit www.centrant.org/lending. For further questions, contact info@centrant.org or 984-344-9992.

Term: Up to 18 years

Amortization: Up to 30 years, with 35-year amortizations considered on a case-by-case basis

Interest Rate: Fixed rate based on 10-year Treasury yield plus a spread. Pricing set at the time of loan approval, and locked during the applicable commitment period:

- **Immediate Funding:** Up to 6 month commitment period
- **Forward Commitment:** Up to 24 months rate lock; extensions subject to approval and may incur a commitment extension fee

Debt Coverage Ratio: Minimum 1.15x for term of loan, including subordinate debt

Loan-to-Value: Up to 80% of Restricted Income Valuation



Eligible Borrowers: Experienced for-profit and non-profit developers/entities with a demonstrated track record of successful affordable multifamily housing development, ownership and operation.

Eligible Properties: Newly-constructed or substantially rehabilitated multifamily affordable housing properties with income and rent restrictions that will remain in effect for the duration of the proposed loan term.

Affordability Requirements:

- At least 50% of the units are to be rented to households earning 80% or less of median income; or
- 40% or more of the units are to be rented to households earning 60% or less of median income; or
- 20% or more of the units are to be rented to households earning 50% or less of median income.

Other Features:

- First lien deed of trust / mortgage only
- All projects will be controlled by a recorded Regulatory Agreement.
- Non-recourse execution, with standard “bad acts” carve-outs.
- Operating Reserve, Replacement Reserve and Tax/Insurance Escrow accounts to be established or verified at or prior to closing, and may be held by borrower/management company.
- Eligible for conversion after a minimum of 90 days at 90% stabilized occupancy, with property operation supporting the required DSCR

Fees:

- \$1,000 application fee
- 1% due at commitment (\$5,000 minimum)
- 1% due at perm loan closing (\$5,000 minimum)
- Borrower responsible for all standard due diligence report expenses, attorney’s fees and other reasonable and customary closing fees

Ready to Apply?

Contact **Rocky Herring**, SVP – Credit & Lending, at (984) 344-9996 or rocky@centrant.org.