

GMHF Loan Products



	MULTIFAMILY				
	Predevelopment	Acquisition	Construction/ Bridge	Permanent 1 st Mortgage	Construction-to-Perm 1 st Mortgage
Purpose	Financing for project-related hard and soft costs prior to closing on construction or permanent financing	Financing for acquisition of land or buildings prior to closing on construction or permanent financing	Financing for new construction or rehabilitation of existing apartments	Long-term first mortgage financing for multifamily properties	Long-term first mortgage financing at start of construction for multifamily apartments
Term	Up to 36 months	Up to 36 months	Up to 36 months	Up to 25 years	Up to 25 years
Amortization				Up to 40 years	Up to 40 years
Fixed Interest Rate	Starting at Monthly SOFR + 2% 1% discount if units at or below 50% AMI	Starting at Monthly SOFR + 2% 1% discount if units at or below 50% AMI	Starting at Monthly SOFR + 2% 1% discount if units at or below 50% AMI 0.5% discount with MEF	30-year Treasury + 2.0%	30-year Treasury + 2.0%;
Origination Fee	1% of loan amount (minimum of \$5,000)				
Loan-to-Value		65% for land & vacant buildings 80% for existing apartments	80% of as-stabilized value + 80% of capital contributions for tax credit projects	80% as-stabilized value	80% as-stabilized value
Debt Coverage Ratio				1.15 for new construction 1.20 for rehabilitation (min 1.10 for at least 15 years)	1.15 for new construction 1.20 for rehabilitation (min 1.10 for at least 15 years)
Repayment	Interest payments due monthly with principal due at maturity	Interest payments due monthly with principal due at maturity	Interest payments due monthly with principal due at maturity	Amortizing with principal and interest due monthly and any outstanding balance due at maturity	Amortizing with principal and interest due monthly and any outstanding balance due at maturity
Interest Only Period	Term of loan	Term of loan	Term of loan	Up to 36 months	Up to 36 months
Security	Security may be required based on project underwriting and borrower	1 st lien position	1 st or 2 nd lien position and/or assignment of capital contributions for LIHTC projects	1 st lien position	1 st lien position
Operating Reserve				3 months	3 months
Debt Service Reserve				3 months	3 months
Replacement Reserve				Min \$250/unit per year increasing 3% annually for new; based on CNA for rehabs	Min \$250/unit per year increasing 3% annually for new; based on CNA for rehabs
Guarantee	Required	Required	Required	Required until stabilization, then non-recourse	Required until stabilization, then non-recourse
Affordability	At least 75% of units must be income- and rent-restricted at 80% AMI, including either 40% of units at 60% AMI or 20% of units at 50% AMI. Potential exceptions for small properties in Greater Minnesota				
Other Fees	Borrower is responsible for GMHF legal fees, closing costs and the cost of any third-party reports				

All terms are subject to change based on project underwriting and credit approval
For more information contact John Rocker at 651-350-7233 or jrocker@gmhf.com

GMHF Loan Products



	MULTIFAMILY			SINGLE FAMILY	
	2 nd Mortgage (Use with LIHTC)	Housing Impact Fund Subordinate Loan	Tax Increment Financing	Construction Loan Line of Credit	NMTC Source Loan
Purpose	Subordinate second mortgage financing for multifamily properties	Subordinate financing for new or existing apartments without deep public subsidies	Financing to capitalize pay-as-you-go tax increment financing (TIF)	Financing for new construction or rehabilitation of existing single-family homes	Financing for construction of new single-family homes using New Market Tax Credits (NMTC)
Term	Up to 15 years, coterminous with first mortgage	10-17 years	Up to 26 years to match duration of TIF	Up to 36 months	Up to 24 months
Amortization	Up to 35 years or interest only depending on the project		Up to 26 years to match duration of TIF		
Fixed Interest Rate	Starting at 30-year Treasury + 2.0%	Starting at 8% IRR; at least 1% above first mortgage rate.	Equal to GMHF first mortgage	Starting at SOFR + 2.0%	Starting at SOFR + 2.0%
Origination Fee	1% of loan amount (minimum of \$5,000)			1% + 0.5% per home	1% of loan amount
Loan-to-Value	Up to 95% as-stabilized value including all superior debt	Up to 95% for HIF loan and all superior debt	Up to 80% of as-stabilized value including the value of TIF income stream	Up to 85% as-completed value	Up to 100% of required source loan amount
Debt Coverage Ratio	1.10 combined for first and second mortgage		1.0 for TIF and 1.1 for combined TIF and NOI-supported debt		
Repayment	Interest only or amortizing monthly payments depending on project	Up to 90% of available cashflow with any unpaid balance due at maturity	Amortizing with monthly interest and principal payments	Interest paid monthly with principal repayments due upon sale of each home	Interest due monthly with principal payments due upon sale of each home
Interest Only Period	Up to 15 years		Up to 36 months if part of construction-to-perm loan	Term of loan	Term of Loan
Security	2 nd lien position	Subordinate lien position	Incorporated into GMHF 1 st Mortgage	1 st lien position	Pledged Collateral Account and Control Agreement
Operating Reserve	3 months	3 months	3 months	Interest reserve may be required	Interest reserve may be required
Debt Service Reserve	3 months	3 months	3 months		
Replacement Reserve	Min \$250/unit per year increasing 3% annually for new; based on CNA for rehab	\$250/unit per year increasing 3% annually; based on CNA for rehab	\$250/unit per year increasing 3% annually		
Guarantee	Non-recourse after stabilization	Non-recourse after stabilization	Non-recourse after stabilization	Required	Required
Affordability	At least 75% of units must be income- and rent-restricted at 80% AMI, including either 40% of units at 60% AMI or 20% of units at 50% AMI. Potential exceptions for small properties in Greater Minnesota.			Up to 115% AMI	
Other Fees	Borrower is responsible for GMHF legal fees, closing costs and the cost of any third-party reports				

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