



## Financial Products - Summary of Terms

	Predevelopment	Acquisition	Construction	Site Development	Perm/Mini-Perm or Construction to Perm/Mini-Perm	Bridge	Working Capital Line/Multi-Project Loans
<b>Purpose</b>	To pay project predevelopment expenses	To pay purchase and closing costs of property acquisition	To pay hard and soft construction costs of new construction or rehab costs	To pay vertical infrastructure hard and soft construction costs for new subdivisions	To provide permanent financing to a project; or construction to permanent financing, including NMTCs leverage loans.	To bridge the timing gap between project or program costs and cash from committed or anticipated sources not yet available	To provide flexible capital to meet cash flow needs or pay project-based expenses for separate projects, usu. for predev and/or acquisition expenses
<b>Eligible Project Types</b>	Rental housing; for-sale housing; community facilities; commercial and mixed use projects	Rental housing; for-sale housing; community facilities; commercial and mixed use projects	Rental housing; for-sale housing; community facilities; commercial and mixed use projects	For sale housing, including Self Help	Rental housing; community facilities; commercial and mixed use projects	Rental housing; for-sale housing; community facilities; commercial and mixed use projects	Rental housing; for-sale housing; community facilities; commercial and mixed use projects
<b>Typical Range</b>	\$50,000-\$1,000,000	\$100,000 - \$5,000,000	\$100,000 - \$5,000,000	\$100,000 - \$5,000,000	\$100,000 - \$10,000,000	\$1,000,000 - \$5,000,000	\$100,000-\$10,000,000
<b>Interest Rate/Payment</b>	4%-6%; fixed; payable monthly	4%-6%; fixed; payable monthly	4%-6%; fixed; payable monthly	4%-6%; fixed; payable monthly	5.75%-8%; fixed; 2% if Growing Rural Communities Fund* payable monthly	4%-6%; fixed; payable monthly	4%-6%; fixed; payable monthly
<b>Repayment</b>	In full at construction financing close *For for-sale housing: scheduled or allocated amount of loan due at construction closing for each unit, pro rata w/ other lenders	In full at construction financing close *For for-sale housing: scheduled or allocated amount of loan due at construction closing for each unit, pro rata w/ other lenders	In full at construction financing close *For for-sale housing: scheduled or allocated amount of loan due at construction closing for each unit, pro rata w/ other lenders	Allocated amount 'release price' of loan due at sale or construction closing for each unit.	Principal and interest payable monthly; amortizes on the shortest schedule possible, but can up to 20 year schedule; balloon due at maturity	Repayable incrementally, within five business days of borrower's receipt of capital source being bridged	Due at construction close for each project that is financed
<b>Maximum Term</b>	2 years	2 years	2 yrs, based on schedule *For-sale housing: 3 yrs	3 years	20 years	3 years	3 years
<b>Applicable Fees</b>	1% fee; minimum 50% or \$5,000 due at approval; Legal fees vary	1% fee; minimum 50% or \$5,000 due at approval; Legal fees vary	1% fee; minimum 50% or \$5,000 due at approval; Legal fees vary	1% fee; minimum 50% or \$5,000 due at approval; Legal fees vary	1% fee; minimum 50% or \$5,000 due at approval; Legal fees vary	1% fee; minimum 50% or \$5,000 due at approval; Legal fees vary	1% fee; minimum 50% or \$5,000 due at approval; Legal fees vary
<b>Collateral</b>	Generally secured; exceptions based on borrower's overall strength and level of certainty of projected take-out financing	Strong preference for real estate collateral	Strong preference for real estate collateral	Strong preference for real estate collateral	Strong preference for real estate collateral; Minimum debt service coverage ratio of 1.15:1	Bridged receipts and/or real estate collateral	Generally secured, but may be up to 20% unsecured based on borrower's overall strength

\* See Growing Rural Communities Fund terms on reverse side

[www.lisc.org/rural](http://www.lisc.org/rural)

Terms subject to change



## Low Interest Financing Products for targeted projects and locations

	<b>Growing Rural Communities Fund</b>	<b>Community Facilities Fund</b>	<b>Other Low Interest Financing</b>
<b>Summary</b>	Very low interest loan fund focused on rural economic development projects that will spur job creation and economic revitalization in distressed communities.	LISC was recently approved as a USDA Community Facilities (CF) Re-Lender. Loans must meet USDA requirements but LISC will offer streamlined application processing.	Rural LISC occasionally has access to lower rate capital for specific project types and locations; please call for the latest rates and information
<b>Loan Type</b>	Construction to mini-perm or mini-perm loans	Permanent or construction to permanent loans	Acquisition, predevelopment, construction; mini-permanent possible
<b>Eligibility</b>	Eligible borrowers include nonprofits, sole proprietors, LLCs or corporations	Nonprofits or public entities	Nonprofits or for profits
<b>Property/Project Type</b>	Eligible properties include office, retail, mixed use, industrial, health care, education or commercial or nonprofit use	Community Facilities including: health care facilities, transitional housing, educational uses, community centers, museums, libraries, or public buildings	Rental or for sale housing; healthy food facilities or retail establishments
<b>Eligible Locations</b>	Low income, non-metropolitan census tract	Rural areas under 20,000; preference for high-poverty or persistent poverty areas	Varies
<b>Loan Amount</b>	\$250,00 - \$2,000,000	\$100,000 - \$5,000,000	\$100,000 - \$5,000,000
<b>Interest rate</b>	2%, fixed	4.25-5.5% fixed	4% and up
<b>Term</b>	Seven year term	Up to 20 years	Varies
<b>Repayment</b>	Three years interest only, then amortizing payments on a 25 year schedule	Interest only during construction; fully amortizing up to 35 year term.	Varies
<b>Prepayment Penalties</b>	10% fixed prepayment penalty for the seven year term	No prepayment penalties	No prepayment penalties
<b>Loan Fees</b>	No fee; legal costs may apply	1% fee plus legal costs	1% fee plus legal costs
<b>Collateral</b>	Real estate collateral with 80% maximum loan-to-value	Real estate collateral	Real estate collateral preferred
<b>Debt Service Coverage</b>	Minimum 1.10x DSC	Minimum 1.10x DSC	Varies

For more information please contact your Rural LISC Field Program Officer or Michael Carroll at [mcarroll@lisc.org](mailto:mcarroll@lisc.org).

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