



## Acquisition / Rehabilitation Product

### FULL TERM INTEREST-ONLY TAX EXEMPT FINANCE PRODUCT

#### Project Suitability:

- >90% of units set aside at or <80% AMI
- Received allocation of private activity tax exempt bonds
- >\$10 Million loan/bonds
- MSA population >100,000

#### Loan / Bond Purchase Sizing:

- Loan sizing criteria: (i) 90% LTV and (ii) 1.15x interest-only DSCR
- Loan can bridge tax credit equity during rehab period
- **Loan sizing based on interest-only payments (no amortization)**, or adjusted for any amortization requested
- Loan amount from Align is approximately **8% to 10% higher** than the loan amount that typically would be available through Agencies (Fannie Mae / Freddie Mac)

#### Loan Amount / Payment / Term:

- **Interest-only** payments for the entire loan term resulting in monthly payments equal to or less than the monthly payments due on a comparable Agency loan (sized using 35-year amortization, 1.15 debt service coverage)
- **Amortizing Options** are also available (i.e., partial IO period to 50-year amort schedule)
- Fixed rate
- Loan term up to 18 years
- Yield maintenance for 10 years; Loan may be repaid following the 10<sup>th</sup> year with a 1% prepayment penalty; no penalty during the last 6 months (other prepayment options are available)

#### Other Terms:

- Non-recourse, subject to typical Agency carveout guaranties
- Minimum origination fee of 1.0%

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