



## PROJECT LOAN TERM SHEET

The following Term Sheet is provided for convenience only and does not constitute a commitment to lend or borrow or an agreement to issue or accept a commitment on these or any other terms or to arrange any financing and shall not create a binding or legally enforceable obligation on the Golden State Acquisition Fund (GSAF) or any other party in any way. The terms contained herein are of a summary nature and are not all-inclusive.

<b>Originating Lenders:</b>	Low Income Investment Fund, Century Housing, Corporation for Supportive Housing, Enterprise Community Loan Fund, Local Initiatives Support Corporation, Northern California Community Loan Fund, & Rural Community Assistance Corporation.
<b>Project Loan Amount:</b>	Maximum loan commitment amount is \$13,950,000 (includes fees, interest and acquisition costs)
<b>Development Parameters:</b>	<p>All developments must be:</p> <ul style="list-style-type: none"> <li>• Located in the State of California</li> <li>• <b>If Rental:</b> 100% of units restricted to households at or below 60% of AMI</li> <li>• <b>If Homeownership:</b> restricted to households at or below 80% AMI</li> <li>• <b>If Mixed-Use:</b> no less than 75% of total square footage to be acquired will be developed as affordable housing (at or below 60% AMI); if below 75% project loan amount will be adjusted.</li> <li>• <b>If Mixed-Income:</b> no less than 75% of number of proposed residential units will be developed as affordable housing (at or below 60% AMI); if below 75% project loan amount will be adjusted.</li> <li>•</li> <li>•</li> </ul>
<b>Loan to Value:</b>	<p><b>Nonprofit Borrowers</b> can borrow up to <b>100%</b> of the lesser of the as-is appraised value or the purchase price.</p> <p><b>For-Profit Borrowers</b> can borrow up to <b>95%</b> of the lesser of the as-is appraised value or the purchase price.</p>
<b>Loan Proceeds:</b>	Loan proceeds may be used for the acquisition of vacant land or improved property.
<b>Eligible Borrowers:</b>	Nonprofit or for-profit corporations, cities, counties, and other public agencies within California, and joint ventures comprised of such entities, with a track record of developing affordable housing.
<b>Interest Rate:</b>	Loan pricing (fixed or variable) will be favorable and determined by originating lender based on market conditions.
<b>Interest Payments:</b>	Some or all of interest payments will be made from a capitalized interest reserve held from the loan proceeds, as determined by originating lender.
<b>Fees:</b>	Origination Fee determined by originating lender. Good Faith deposits for third party reports will be required, as determined by originating lender.
<b>Covenants</b>	Standard for this type of loan. All loans will include project milestones to be met with regard to architectural work, filing plans, entitlements, TCAC applications, etc.
<b>Events of Default</b>	Standard.
<b>Project Loan Term:</b>	The project loan term will be subject to discretion of originating lender; maximum loan term is five (5) years, including extensions.
<b>Security:</b>	All Project Loans will be secured by a deed of trust on the development site. Each project will be required to record a regulatory agreement (subordinate to the DOT) maintaining the long-term affordability of the project (if not already in place).
<b>Third Party Reports:</b>	May include FIRREA-compliant appraisal, Phase I environmental assessment, geotechnical survey, property condition report, plan and cost review for proposed scope of work, and other reports as required by lender.
<b>Future Development Plans:</b>	Required underwriting materials may include letters of interest from other funding sources, including market-rate and subsidized debt and equity providers.
<b>Zoning:</b>	Evidence that the project, as proposed, is permissible under applicable zoning ordinances or regulations. Alternatively, lenders may consider a realistic proposed plan of action for making the project permissible under applicable zoning regulations.
<b>Insurance:</b>	Liability and hazard insurance required from insurance company with an acceptable rating (minimum AM Best A VIII).