



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.

Originating Lenders:	Low Income Investment Fund, Century Housing, Corporation for Supportive Housing, Enterprise Community Loan Fund, Local Initiatives Support Corporation, Community Vision Capital & Consulting, Housing Trust Silicon Valley, & Rural Community Assistance Corporation.
Project Loan Amount:	Maximum loan commitment amount is \$13,950,000 (includes fees, interest and acquisition costs)
Development Parameters:	All developments must be: <ul style="list-style-type: none">• Located in the State of California• If Rental: 100% of units restricted to households at or below 60% of AMI• If Homeownership: restricted to households at or below 80% AMI• If Mixed-Use: 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.• If Mixed-Income: 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.
Loan to Value:	Nonprofit Borrowers can borrow up to 100% of the lesser of the as-is appraised value or the purchase price. For-Profit Borrowers can borrow up to 95% of the lesser of the as-is appraised value or the purchase price.
Loan Proceeds:	Loan proceeds may be used for the acquisition of vacant land or improved property.
Eligible Borrowers:	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.
Interest Rate:	Loan pricing (fixed or variable) will be favorable and determined by originating lender based on market conditions.
Interest Payments:	Some or all of interest payments will be made from a capitalized interest reserve held from the loan proceeds, as determined by originating lender.
Fees:	Origination Fee determined by originating lender. Good Faith deposits for third party reports will be required, as determined by originating lender.
Covenants	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.
Events of Default	Standard.
Project Loan Term:	The project loan term will be subject to discretion of originating lender; maximum loan term is five (5) years, including extensions.
Security:	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).
Third Party Reports:	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.
Future Development Plans:	Required underwriting materials may include letters of interest from other funding sources, including market-rate and subsidized debt and equity providers.
Zoning:	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.
Insurance:	Liability and hazard insurance required from insurance company with an acceptable rating (minimum AM Best A VIII).