

Underwriting Standards	Tenant Opportunity to Purchase Act
Min Upfront Equity	Minimum \$500 contribution to the tenants' association by each household committed to live in the building/community.
Max LTV	100% acquisition/90% post-rehab appraised value
DCR	1.10x
Income to Expense Ratio	1.05:1
Pre-sales	If a condo/co-op the substantial majority (60%) of the existing tenants must sign pre-sales agreements. If a rental 60% of the existing tenant must agree to return to the building. All existing tenants that wish to be accommodated shall be accommodated.
Min Release Prices	100% of loan amount per unit adjusted for level of affordability
Max Loan Term_Construction	36 Months
Max Loan Term_Permanent	Up to 40 years depending on funding source
Amortization	Up to 40 Years
Max Interest Only Period	The earlier of 7 Years or until Debt Service Coverage Ratio reached 1.30x
Interest Rate	Varied: 50 basis points up to two percent below the Lead Lender's rate (1% to 9%)
Funding	100% of DHCD loan proceeds may be advanced ahead of first lien holder proceeds.
Maximum DHCD Loan Amount per Project/Guarantee/Guarantee Shortfall amount:	\$7,000,000
Maximum Percentage of total development cost subsidized by DHCD	49%
Maximum Per Unit Subsidy	Up to \$100,000 per unit affordable to households earning 50% of AMI and below. Up to \$85,000 per unit affordable to households earning 51 to 80% of AMI.
Minimum Number of Affordable Units Per Project:	Min. of 60% of the units up to 80% of AMI. The remaining units will be affordable to no greater than 120% of AMI.
Minimum Reserve Requirements	\$400/unit to include Debt Service Reserves
Max Developer's Fee Allowable	Up to 10% (of which 20% will be disbursed at acquisition, 10% at construction commencement, 20% at 50% completion, 40% at construction completion, 10% at property stabilization)
Guaranty Required	Yes
Other Requirements	See Attachment