



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