



Community Housing Fund
3700 SW Murray Blvd. #2012
Beaverton, OR 97005

PREDEVELOPMENT LOAN TERM SHEET

Loan Description and Allowable Use: Funds for predevelopment activities associated with the development of multi-family and single-family rental or for-sale affordable housing, and/or related facilities. *Eligible* expenses include: reports, testing, surveys and studies, architectural fees, legal and accounting fees, predevelopment loan/lending fees, and state or local funding application fees. *Ineligible* expenses include payoff of loans from other institutions (including acquisition loans) and any activities completed outside of the predevelopment period or for purposes other than predevelopment.

Acceptable Borrowers: 501c(3) non-profits, for-profit entities including partnerships and corporations, quasi-public entities (such as housing authorities), and public entities (such as local jurisdictions).

Regulation and Affordability: Project/development must be formally regulated (either by an external jurisdiction/agency, or in some cases by the borrower/sponsor) and the majority of units must be targeted to extremely-low, very-low, or low-income households (as defined by HUD).

Project Location: Washington County, Oregon*

Loan Amount: Up to \$1,000,000**

Interest Rate: Secured loans start at 4.5% (simple interest, calculated on a 365/365 basis)

Term: From 12 to 36 months**, to coincide with timing of take-out source (e.g., construction loan close)

Payments: Deferred payments during the term of the loan – principal and accrued interest due in full at maturity

Pre-Payment Premium: None

Fees: Origination Fee of 1.5% of the loan amount

- Borrower is responsible for all closing costs.
- CHF may impose fees for additional services (such as loan modification, among others)

Required Third Party Reports:

- If security is project site or other real estate: FIRREA compliant appraisal ordered by CHF (must provide “as-is” market value)
- Formal audited or professionally prepared financial statements annually
- Other reports as required by CHF

General Funding Conditions:

- For land security, borrower must provide a standard Lender’s Title Insurance policy insuring CHF’s lien position
- Proposed project is financially feasible
- There are no material impediments to development
- Project has a clean title or issues that can be easily resolved
- Annual project progress reporting (including interim financials)

Equity Planning:

At application, please be prepared to provide information on organizational and project equity work, including but not limited to:

- Description of borrower’s equity work (goals and track record, including organizational equity statement and/or plan)
- Specific equity goals for the project (including: current economic conditions and percentage of rent burden for chosen location, target population and why they were selected, culturally-specific outreach and service plans and partners, reduced screening criteria, purchasing procurement targets, etc.)
- Outreach and community engagement plan, including partners and planned events (surveys, community meetings, project advisory committees, etc.)
- Description of the ways in which this project will lead to more equitable housing outcomes

*Projects in contiguous counties may be eligible – please contact CHF for more information

**Exceptions are considered on a case-by-case basis

Please be advised that this term sheet is provided for informational purposes only, does not constitute a commitment or any offer from CHF, and is subject to change at any time.