

An Enterprise Community Loan Fund Product:

Golden State Acquisition Fund



Eligible Borrowers	Nonprofits, for-profits, public agencies within California, and joint ventures comprised of these entities, with a track record of developing affordable housing.
Eligible Uses of Proceeds	To finance property acquisition and predevelopment costs for the development or preservation of affordable housing projects. Eligible properties include land, existing affordable residential developments, and adaptive reuse developments.
Eligible Projects	<p>Eligible Projects must meet the following criteria:</p> <ul style="list-style-type: none"> ■ Rental developments must be 100% affordable to households earning not more than 60% of AMI. ■ Mixed-income residential housing projects are eligible if 75% or more of the units are affordable (as defined above). If less than 75% of the units are affordable, loan amount will be limited to the percentage of affordable units. ■ Mixed-use projects are eligible if at least 75% of the total square footage is developed for affordable housing. If less than 75% of the square footage is for affordable housing, loan amount will be limited to the percentage of the project that meets the square footage requirement.
Maximum Loan Amount	Up to \$13,950,000 per project.
Loan Term	Up to five years, including extensions.
Interest Rate	Interest rate vary based on loan term. Fixed or variable rate options available. Variable rates are based on LIBOR plus a spread, with floors currently ranging from 4.5% -5.75%. Fixed rates currently range from 6.25% - 7%.
Fees	Up to 2% origination fee plus legal fees. Borrower will be responsible for all third party costs, including appraisal, environmental reports, etc.
Loan-to-Value	<p>For-Profit Borrowers: Up to 95% of the lower of the initial appraised value or the purchase price.</p> <p>Non-profit Borrowers: Up to 100% of the lower of the initial appraised value or the purchase price to include an allowance for predevelopment expenses.</p>
Collateral	A first deed of trust on the subject property.
Recourse/Guaranty	Full recourse to borrower and guaranty from sponsor.

(continued)



For more information, contact: **Noni Ramos, Chief Lending Officer**
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Repayment	Interest only during loan term. Principal and all accrued interest due at loan maturity.
Prepayment	No prepayment penalty.
Due Diligence Required	<ul style="list-style-type: none"> ■ Appraisal based on “as-is” value (and “as proposed” value for operating properties). ■ Financial reporting: Three years of accountant-reviewed or compiled financial statements for for-profit borrowers, or audited financial statements for nonprofit borrowers. Year-to-date financials for the current year. Disclosure of unsecured debt and contingent liabilities. ■ Development budget, proforma projections of income and expenses, project description, and letters of interest/term sheets from other funding sources. ■ Evidence of permissive zoning for the “as proposed” project.

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