

# SHORT-TERM LOANS

## MERCY COMMUNITY CAPITAL TERM SHEET

<b>Eligible Borrower</b>	<ul style="list-style-type: none"> <li>• 501(c)(3) nonprofit organization</li> <li>• Mission-driven for-profit organization with a history of affordable housing</li> <li>• Consumer-controlled cooperative</li> <li>• Public housing authority</li> <li>• Limited partnership or limited liability company with a nonprofit organization as managing general partner or managing member</li> </ul>	
<b>Eligible Project</b>	Multi- or single-family properties serving households at 80% AMI or below. Additional affordability restrictions may be required. For mixed-income properties, the loan may be sized in proportion to the number of affordable units. Please call to discuss.	
<b>Long-Term Affordability</b>	<ul style="list-style-type: none"> <li>• Homeownership properties – prefer 10 years or more</li> <li>• Rental properties – prefer 40 years or more</li> </ul>	
<b>Eligible Purpose</b>	<ul style="list-style-type: none"> <li>• Acquisition</li> <li>• Construction and rehabilitation</li> <li>• Infrastructure development (land development)</li> <li>• Bridge loans</li> <li>• Amortizing short-term gap loans</li> <li>• Predevelopment</li> </ul>	
<b>Loan Amount</b>	Minimum loan amount of \$500,000; maximum of \$5 million Loans outside this range will be considered.	
<b>Term</b>	Up to 5 years. A limited number of loans may be available for longer-term. Please call to discuss.	
<b>Rate</b>	Typically 5% - 7%	
<b>Fees</b>	<ul style="list-style-type: none"> <li>• Application fee – \$500 due at application, (\$1,000 for for-profit entities) credited to origination fee</li> <li>• Commitment fee – TBD during underwriting and credited to origination fee</li> <li>• Origination fee – Up to 2.0% of loan</li> <li>• Legal fees, filing fees</li> </ul>	
<b>Security</b>	<p>One or more of the following:</p> <ul style="list-style-type: none"> <li>• First or Subordinate Deed of Trust/Mortgage lien</li> <li>• Liens against other property of borrower</li> <li>• Irrevocable letter of credit</li> <li>• Perfected security interest in investor pay-ins</li> <li>• Third-party guaranty [from entity other than borrower]</li> <li>• Pledge of developer fee</li> <li>• Pledge of restricted account</li> </ul>	
<b>Maximum LTV Ratio</b>	90%	<i>The terms outlined here are indicative, but not exhaustive, of the terms and conditions of a loan with MCC.</i>
<b>Debt Coverage Ratio</b>	Minimum 1.15	
<b>Prepayment</b>	Please call to discuss	
<b>Reserve Requirements</b>	Replacement, operating and debt service reserves analyzed on individual basis	



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