

NewPoint Impact 4% Tax-Exempt Bond Financing

NewPoint Impact provides 4% Tax-Exempt Bond Financing for the new construction or acquisition/rehabilitation and permanent financing of affordable rental housing in conjunction with the 4% LIHTC program.

ELIGIBILITY	<ul style="list-style-type: none"> Nationwide rental projects financed in conjunction with 4% LIHTC. Minimum of 60% of units must be subject to tenant income restrictions. Borrower may be for-profit or 501(c)(3).
MINIMUM FINANCING AMOUNT	\$8 million
CONSTRUCTION SIZING	Permanent sizing plus any amounts necessary to satisfy the 50% test. Ability to bridge LIHTC with credit-worthy counterparties.
PROCEEDS AVAILABILITY	Drawdown during construction.
CONSTRUCTION LOAN ADMINISTRATOR	NewPoint
PERMANENT SIZING	1.15x DSCR (interest-only constant permitted). 70% LTC.
INTEREST RATE	Variable Rate at competitive spread over 1-month term SOFR, or Fixed Rate at competitive spread over 15-year SIFMA swap. Permanent rate locked at closing.
AMORTIZATION	40 years. Up to four years of interest only available for projects with deeply discounted rents or majority of units subject to HAP/Section 8.
GUARANTIES	Repayment, completion and stabilization guaranties apply during the construction phase. Industry-standard non-recourse carve-outs during the permanent phase.
CONVERSION	90% economic occupancy for 90 days. 1.15x DSCR.
PREPAYMENT	Defeasance for 14.5 years of permanent phase. Freely prepayable thereafter.
TERM	40 years after construction. Bondholder can demand full repayment with 12 months notice after 15 years.
TAXABLE TAILS	Permitted
TIMING	Able to close 60 days after receipt of third parties.
FEES	Standard application and origination fees apply. NewPoint's outside counsel fee to be quoted for each transaction.

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