

NewPoint Impact Synthetic 221(d)(4)

NewPoint Impact provides financing for the new construction or acquisition/rehabilitation of an affordable rental housing project and rate locks an FHA 223(f) refinancing at the close of construction.

ELIGIBILITY	<ul style="list-style-type: none"> Nationwide rental projects financed in conjunction with 4% LIHTC. Borrowers may be for-profit or 501(c)(3) that have previous experience with FHA lending programs.
MINIMUM INVESTMENT 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	Typical FHA 223(f) requirements.
INTEREST RATE	Fixed rate. Rate equals investor spread plus FHA servicing fee, plus GNMA guarantee fee plus MIP. Investor spread steps down upon delivery of the GNMA MBS.
MATURITY	35 years
AMORTIZATION	35 years
GUARANTIES	Repayment, completion and stabilization guaranties apply during the construction phase.
CONVERSION	Financing must satisfy the FHA 223(f) program.
PREPAYMENT	Typical FHA stepdown. Initially 10pts and declining 1pt per year. Negotiable.
CONVERSION MECHANICS	Project is underwritten pursuant to the FHA 223(f) program after stabilization. Upon delivery of the GNMA MBS, the fixed rate on the bonds is decreased by an agreed upon amount.
RATE SETTING MECHANICS	Both the construction rate and the permanent rate are set at the closing of the construction phase.
FEES	Standard application, origination and HUD fees apply. NewPoint's outside counsel fee to be quoted for each transaction.

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