

APPENDIX K

SENIOR LIVING REVOLVING LOAN PROGRAM INFORMATION



Purpose: The purpose of this loan program is to assist in the development of affordable assisted living and service enriched affordable housing for people with disabilities. The loans can be used for the construction period and the permanent loan. This program is administered following the rules established in 265—Chapter 20. *(4% tax credit projects with tax-exempt bond financing are not eligible for this program.)*

The Authority anticipates awarding approximately 80% of the available funds for Affordable Assisted Living and approximately 20% of the available funds for Service-Enriched housing for people with disabilities, to the extent that the greatest amount of funds can be expended.

Loans under this program will be funded only for Applicants awarded tax credits who received 30 points for Resident Populations with Special Needs for projects with Special Needs Target Populations of:

1. Frail Older Persons; or
2. Persons with a physical or mental, and/or developmental disability.

Available funds: \$3,500,000

Amount of Loan: The maximum loan amount is \$2,000,000, and the minimum loan amount is \$100,000.

Loan Terms: The maximum loan term and amortization period are 30 years. The interest rate is at the applicable federal rate at the time of closing. Loans will be secured by a first mortgage.

Debt Service Ratio: 1.25:1 for IFA's first mortgage (minimum of 1.15:1 overall), as calculated by the Authority.

Fees: No additional fees are due at the time of application. A commitment fee of 1% and an inspection fee of .5% of the loan amount are due at the time of closing of the construction loan. A commitment fee of 2% of the loan amount is due at the time of closing of the permanent loan.

Instructions:

If applying for this funding source:

1. Provide Threshold Application with the Senior Living Loan listed as a source of funds.
2. Provide Senior Living Revolving Loan Program addendum showing an alternative source for the construction and/or permanent loan.
3. Complete Exhibit 1S Resident Populations with Special Needs.