Term Sheet – Threshold Loans

Eligible Loans: Mini-perm loans to finance total development costs of new construction or acquisition/rehabilitation affordable housing projects, without a permanent, formal take-out required.

Eligible Participants: Loans are available to traditional affordable housing developers or small property owners and developers who may not currently utilize low-income housing tax credits or affordable housing programs.

Property Type: Smaller apartment communities up to 40 units within the state of New Mexico.

Restrictions: Rents must be at or below 80% of Area Median Income

Maximum Loan Amount: $1,000,000, higher amounts at discretion of the Board

Maximum Loan Term: Up to 60 months

Interest Rate: 3.0-5.0% per annum – fixed

Loan Fees: 1% origination fee, $250 application fee

Payment Terms: Loan can be interest only monthly for up to 2 years, balance of loan term to be on an amortization not to exceed 25 years, with monthly payments of principal and interest.

Loan-to-value ratio (LTV): 80% LTV, per an approved appraisal, with loan amount to approved costs at a maximum of 85%, LTC. May consider subordinate lien position.
**Other Conditions:** Properties must be energy efficient and are encouraged in locations with access to transit and other necessary services.

**Application Window and Process:** Applications are accepted year round, subject to availability or funds. To apply, contact Bill Dolan, Loan Officer at vwdolan@hotmail.com or 505-270-5650.

**Other Conditions:** This term sheet is meant to be a guideline but may not have all terms and conditions that will be used in underwriting a particular loan request that is submitted to the Ventana Fund. Funding of any project is subject to availability of funds.