Conduit Lending Term Sheet

Product Description:	Tax-exempt loans for the purpose of developing properties that include low or moderate-income homes.
Affordability Requirements:	Properties must meet one of the following criteria: • 20% of the units are affordable to households at 50% median income; or • 40% of the units are affordable to households at 60% median income. Affordability requirements are required for the term of the RIHousing loan but in no event shall they be less than 30 years.

Loan Fees

Issuer Fee:	1% of Bond Amount
Servicing Fee:	A minimum of 25 bps of the outstanding principal amount for the term of the loan; may be higher depending on deal structure and loan size.
Tax Credit Fee:	1% of the 10-year credit amount
Cost of Issuance:	The Borrower will be responsible for paying the full cost of issuance for both taxable and tax-exempt bonds. Costs may be capitalized in the development budget.

Due Diligence Requirements

Third Party Fees:	The Borrower shall be responsible for paying any and all of RIHousing's third-party fees required to complete the due diligence review and close the transaction. Costs may be capitalized in the development budget.

Legal Fees:	Borrower will pay Lender's legal fees
Developer Fee:	Must be in conformance with our *Developer's Handbook*
Appraisal/Market Study:	RIHousing must be named as an intended user of and must approve either or both a market feasibility study and an appraisal.
Environmental Review:	Phase I Site Assessment, performed by a firm acceptable to RIHousing. Phase II reports, asbestos, radon, PCBs and lead surveys as necessary.
Unit Distribution:	Affordable units should be interspersed throughout the development and be largely indistinguishable from the market units.
Unit Sizes:	The number of affordable units per bedroom size should be proportionate to the overall breakdown of units in the development.

This is not an offer to make a loan. This term sheet serves as an outline of this program's underwriting criteria and is for discussion purposes only. For more information, contact Anne Berman, Director of Development, at (401) 457-1269.

September 2021