

# Lowcountry Housing Trust Loans

As of October 2009

	BRIDGE LOAN	GAP LOAN	PERMANENT LOAN
<b>MAXIMUM TERM</b>	Up to 12 months	Up to 24 months	Up to 60 months <sup>1</sup>
<b>INTEREST RATE</b>	Lowcountry Housing Trust has interest rates between prime and 4 points over prime		
<b>ELIGIBLE BORROWERS</b>	Nonprofit, for-profits, and government entities developing eligible properties		
<b>ELIGIBLE ACTIVITIES</b>	Predevelopment, acquisition, rehabilitation, construction and permanent		
<b>AFFORDABILITY REQUIREMENTS</b>	At or below 120% of Area Median Income		
<b>SECURITY</b>	Must be secured, willing to subordinate depending on development feasibility		
<b>TAKEOUT FINANCING</b>	Construction or Permanent financing commitment required.		
<b>DEBT SERVICE COVERAGE</b>	Minimum of 1.15, with a pre-funded operating reserve on permanent loans		
<b>LOAN AMOUNTS</b>	<ul style="list-style-type: none"> <li>• <u>Minimum</u> loan amount of \$10,000</li> <li>• <u>Maximum</u> loan amount equal to the greater of \$250,000 or 15% of total loan capital.</li> </ul>		
<b>INCENTIVES</b>	Interest rate discounts: <ul style="list-style-type: none"> <li>• Up to 0.5% for developments at 80% of area median income and below</li> <li>• Up to 1% for developments at 60% of area median income and below</li> <li>• Up to 0.5% for developments that are certified energy efficient by LEEDS, Green Communities, Earth craft, Energy Star and NAHB</li> </ul>		
<b>PAYMENT</b>	Interest-only through construction; principal due in full upon construction completion. Financing may cover prefunded interest reserve	Equal monthly payments of principal and interest. <sup>1</sup>	
<b>APPLICATION FEE</b>	\$250 Non-refundable fee		
<b>ORIGINATION FEE</b>	1% of loan amount due at closing		
<b>LATE FEE</b>	5% of the amount past due after 10-day grace period		
<b>RETURNED CHECK FEE</b>	An amount equal to fees charged to LHT for each returned check. The Executive Director may waive this fee in unusual circumstances.		
<b>SECURITY ASSURANCES</b>	Appraisal, environmental assessment, title insurance, liability and flood plain insurance, certificate of occupancy, and inspection.		
<b>CLOSING COSTS</b>	The borrower is responsible for the expense of document preparation and closing costs		

<sup>1</sup> Preference for full amortization during the loan term, however, 5 year terms with amortization periods of up to 15 years are allowed with a balloon payment at the end of the 5 year term, in order to accommodate the financing needs of the development.

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