



## Economic Development Loans

### Nonprofit Development/Owner

<b>Type</b>	Acquisition, rehabilitation and permanent loans
<b>Term</b>	Up to 15-year maturity, up to 30-year amortization  - OR -  Up to 30-year maturity with a one-time rate reset midway through the loan term
<b>Loan Fees</b>	1/2 % to 2% of the loan amount
<b>Interest Rate</b>	Please call for current rates. Forward rate locks are available.  Dulcie Claassen 206-622-6322 Susan Duren 206-292-0689
<b>Security</b>	First Deed of Trust
<b>Loan-to-Value</b>	The lower of 75% maximum of appraised value or allowable debt service with reasonable expenses.
<b>Debt Service Coverage</b>	A minimum of 1.25:1 on WCRA debt. Debt service is based on the market rents and the higher of borrower or appraiser's vacancy/credit loss and expenses. All appraisals must be dated less than 12 months prior to the closing unless they are part of a combo loan closing with a member bank.
<b>Prepayment Penalties</b>	No prepayment penalty on short term loans (3, 5, 7 years). FNMA guidelines for 10-year loans and longer.
<b>Maximum/Minimum Loan</b>	\$3.5 million maximum, no minimum
<b>Other Conditions of Funding</b>	The project must serve a low income population or be located in a low to moderate income census tract or other CRA targeted area. Project uses may include commercial, social service, public facilities, retail, or housing. Ownership may be nonprofit, for profit, housing authority, public development agency or community action council. The lower or market or contract rents will be used in underwriting.