



New Markets Tax Credit Loans for Commercial Real Estate

ABOUT THE PROGRAM

Self-Help uses New Markets Tax Credits to provide low-interest loans for qualified projects within the continental U.S. We offer flexible terms to qualified borrowers and projects, structuring deals around the unique needs of the project. While every loan is different, the following parameters generally apply.

ELIGIBLE LOCATIONS

The project to be financed must be located in the continental U.S. within a high-distress, low-income census tract. We have particular interest in North Carolina, California, Washington DC and Chicago.

ELIGIBLE PROPERTY USES

- ✓ Education
- ✓ Healthy Foods
- ✓ Office, Retail, Mixed Use
- ✓ Industrial
- ✓ Healthcare
- ✓ Renewable Energy

At least 20% of property revenue must come from non-residential uses.

ELIGIBLE BORROWERS

Sole proprietors, partnerships, LLCs, corporations, nonprofit or for-profit entities

LOAN TYPES

- ✓ Construction-to-permanent
- ✓ Permanent (refinancing of investment property is subject to restrictions)

LOAN TERMS

- Loan size: \$500,000 to \$15,000,000
- Term: 7 years
- Amortizations: 12 to 24 month interest-only period on construction-to-permanent loans, converting to 20 to 25 year amortization upon stabilized debt service coverage
- Interest rates: 7-year fixed. Rates for projects meeting standard underwriting priced at 225 basis points over 7-year USD Swap Rate (4% floor)
 - +50 bps for loans < \$1 million
 - -40 bps for charter schools
- Origination fee: 0.9% or less
- Construction loan administration fee: Case-by-case
- Debt service coverage: 1.20x minimum
- Loan to value: 70% to 75% maximum (case-by-case higher maximum for charter schools)
- Minimum equity: Case-by-case
- Prepayment: No prepayment possible

FOR MORE INFORMATION AND TO DISCUSS A POTENTIAL PROJECT, PLEASE CONTACT:

Jane Ellis • 919-956-4407 • jane.ellis@self-help.org • Charter Schools
Steve Saltzman • 919-956-4620 • steve.saltzman@self-help.org • Healthy Foods
Allison Moy • 919-956-4414 • allison.moy@self-help.org • Commercial Real Estate