



PREDEVELOPMENT LOAN PROGRAM

Program Description	The Predevelopment Loan Program provides low-cost funding to cover the predevelopment costs associated with affordable rental projects that will have permanent CalHFA financing.
Qualifications	<ul style="list-style-type: none"> • Non-profit 501(c)(3) housing entities • Eligible developments shall consist of five or more units of new construction, acquisition, or acquisition and rehabilitation • CalHFA permanent financing required
Loan Amount	\$500,000 maximum
Fees (subject to change)	\$500 Application Fee, 1% Loan Fee due at time of loan disbursement
Rate & Terms (subject to change)	<p>Interest Rate: call for quote</p> <ul style="list-style-type: none"> • Payments: Interest-only payments required • Term: 24-month maximum term, to be repaid no later than acquisition, rehabconstruction loan closing • Loan may be secured by a mortgage on the subject property or other collateral acceptable to CalHFA • CalHFA must approve site and development concept
Subordinate Financing	CalHFA may require all loans, leases, development and regulatory agreements to be subordinate to CalHFA financing.
Eligible Costs (Predevelopment)	<p>Loan proceeds may be used to pay for direct costs, such as:</p> <ul style="list-style-type: none"> • Architectural or engineering costs • Permits and related fees • Bonding fees • Costs associated with debt financing <p>Loan proceeds may not be used for land acquisition, administration expenses or hard construction costs.</p>
Disbursements	Loan funds shall be disbursed in increments of no less than \$10,000, upon submittal of receipted invoices.
Questions	<p>Questions regarding the Predevelopment Loan Program can be directed to CalHFA's Multifamily Programs Division:</p> <ul style="list-style-type: none"> • James Morgan, Housing Finance Chief, Multifamily Programs • 500 Capitol Mall, Suite 1420, Sacramento, CA 95814 • Phone: 916.326.8806 • Email addresses: jmorgan@calhfa.ca.gov

IMPORTANT DISCLOSURE INFORMATION:

The information provided in this program description is for guidance only. While we have taken care to provide accurate information, we cannot cover every circumstance nor program nuance. This program description is subject to change from time to time without prior notice. The California Housing Finance Agency does not discriminate on any prohibited basis in employment or in the admission and access to its programs or activities.