

Construction, Tenant Improvement, & Rehabilitation Loans

Partner with our in-house construction loan experts to ensure a smooth build from start to finish

Key Loan Terms & Features*		
	Construction	Construction to Mini-Perm & Tenant Improvement
Loan Purpose	Construction (including tenant improvements and rehabilitation) or Construction converting to Permanent financing for real estate to develop mission aligned projects including, but not limited to, healthcare facilities, education facilities, housing, commercial, and mixed-use developments.	
Eligible Borrowers	For-profits & non-profits with preference for projects in our core geographies	
Loan Amount	\$500,000 to \$15MM	
Term	up to 3 years	up to 10 years
Interest Rate	Floating based on 30-day SOFR + 3.5 - 4.5%	Construction phase: Floating based on 30-day SOFR + 3.5 - 4.5% Perm phase: Fixed based on Treasury rate corresponding to perm loan term + 4 - 5% spread
Payments	Typically interest only until maturity	I/O during construction; up to 25-30 years amortization during perm
Prepayment Fees	No prepayment fee for terms of 3 years or less. Prepayment fees reduce over time.	
Fees	Origination: 1-1.5% of the Loan Amount (includes 0.25% underwriting fee); Legal: typically, \$35,000-45,000, but varies depending on deal complexity; Disbursement Management: 0.25% for loans with multiple draws	
Collateral	Typically includes, but is not limited to the following: : <ul style="list-style-type: none"> • 1st position on: Property; all business assets; collateral assignment of construction documents; collateral assignment of all management, service contracts and documents; and collateral assignment of rents and leases (where applicable). • 2nd lien position may be considered on a case by case basis. 	
Equity Requirement	5-10% including subordinate debt, grants, federal or state subsidy, and pre-incurred costs	
Owner Contingencies	New construction: Minimum of 5-10% of Hard Costs & 3-5% of Soft Costs (plus Furniture, Fixtures & Equipment) Rehab: Minimum of 10-15% of Hard Costs & 5-10% of Soft Costs (plus Furniture, Fixtures & Equipment)	
Loan to Value/Loan to Cost	Up to 90% LTV; based on the As-complete or As-stabilized appraised values LIHTC projects are eligible for 90% LTC.	
Debt Service Coverage Ratio	For operating properties only: 1.15-1.35x depending on project type	
Timing	90-120-day closings are possible from receipt of the underwriting fee. Timing may vary based on due diligence required and the borrower's response time.	

* Terms on this fact sheet are indicative; however, all terms may vary depending

Our Full Suite of Loan Offerings

Our team goes above and beyond to get complex deals done so that our borrowers can create impact for their communities. Our loan types include:



ACQUISITION LOANS
to purchase land and buildings



BRIDGE LOANS
to bridge grant funding or tax-credit equity investment



CONSTRUCTION LOANS
to finance from-the-ground-up construction and renovation projects



WORKING CAPITAL LOANS
to finance operating cash flow needs



PRE-DEVELOPMENT LOANS
for feasibility planning, architectural drawings, and other early needs



TENANT IMPROVEMENT LOANS
to finance renovation at a leased facility



NEW MARKET TAX CREDITS
to incentivize community development



EQUIPMENT LOANS
to purchase equipment

Interested in learning more? Please contact us in your region:

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