

New Markets Tax Credit Source Loans

Work with an experienced New Markets Tax Credit (NMTC) lender and Community Development Entity (CDE)

Key Loan Terms & Features*	
Loan Purpose	Source Loans, to finance the leverage loan from the Sponsor to the Investment Fund, to develop mission aligned projects including, but not limited to, healthcare facilities, education facilities, commercial, and mixed-use developments. CIP can also provide direct loans to QALICBs or bridge loans for leveraged grant sources.
Eligible Borrowers	For-profits & non-profits with preference for, but not limited to, projects in our core geographies
Loan Amount	\$500,000 to \$20MM (participation of another lender may be required)
Term	7 years to match the NMTC compliance period
Interest Rate	To be set at closing and fixed for the Term of the Loan based on 7-year Treasury + 3.50-5.00%
Payments	Extended interest only periods followed by amortization up to 25 years
Closing Fee	1.25-1.50% of the Loan Amount (includes 0.25% underwriting fee)
Collateral	Collateral typically includes, but is not limited to the following: I. Collateral assignment of Sponsor Leverage Loan to the Investment Fund; ii. 1st position UCC-1 perfected lien on all the Sponsor's business assets; iii. Assignment of the purchaser's interest in the put/call option; iv. Leasehold mortgage of lease between Sponsor and QALICB Borrower; v. 1st position pledge of all capital campaign contributions received (if applicable); and vi. Pledge and control of Sponsor account that will receive grant/capital campaign proceeds (if applicable).
Loan to Value	Up to 90% LTV on hard debt to appraised value of property
Lease and Debt Service Coverage Ratio	Typically, 1.15x, tested annually on both the project sponsor and on the project
Timing	60–90-day closings are possible from receipt of the underwriting fee. However, timing will coincide with the closing of NMTC financing.

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

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:

Eric Relos - CA

510.712.9021 | erelos@capitalimpact.org

Damon Hodge - MI

313.230.1198 | dhodge@capitalimpact.org

Sydnee Freeman - TX, FL, GA

512.957.9023 | sfreeman@capitalimpact.org

Seth Whetzel - NY, CT, NJ

703.647.2323 | swhetzel@capitalimpact.org

Ryan Guyton - National

510.597.2057 | rguyton@capitalimpact.org

Faith Ohai - DC, MD, VA

571.385.2710 | fohai@capitalimpact.org

The Momentus Capital Family of Organizations

The Momentus Capital branded family of organizations is dedicated to ensuring local leaders have equitable access to the capital and opportunities they deserve. Rooted in social mission, we support locally led solutions through our continuum of lending, impact investments, training

programs, technology platforms, investment banking, and transaction advisory services.* Leveraging 80+ years of combined experience, we are transforming how the financial sector can help communities build health & generational wealth. Learn more at momentuscap.org

**momentus
capital.**

IC
CAPITAL IMPACT
PARTNERS

CDC
Small Business Finance

Ventures
LENDING TECHNOLOGIES

**MOMENTUS
SECURITIES**

*Investment banking and transaction advisory services provided by Momentus Securities, a Finra-member broker/dealer.

momentuscap.org