

## New Markets Tax Credit Source Loans

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

### Key Loan Terms & Features\*

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

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## The Momentum Capital Family of Organizations

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

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