

# AFL-CIO HOUSING INVESTMENT TRUST

COMPETITIVE RETURNS | UNION CONSTRUCTION JOBS | HOUSING DEVELOPMENT

## FORWARD PERMANENT LOAN

<b>Product</b>	Forward permanent loan products that provide fixed interest rate commitments by the Trust prior to construction or substantial renovation of affordable or workforce multifamily housing utilizing Fannie Mae (“GSE”) programs. The GSE sets the minimum amount of income restricted units, typically 20%, and the minimum permitted household income (varies by MSA)
<b>Forward Delivery Term</b>	Maximum forward commitment term: 36 months (extension and extension fees will be considered on a case by case basis)
<b>Forward Commitment Lender</b>	Under the program, the Borrower would enter into a forward commitment for the permanent loan provided by a GSE-approved lender. The forward commitment and the permanent loan terms require Trust approval
<b>Permanent Loan Term</b>	Typically, 5 to 20 years, or as otherwise set by GSE and the Trust
<b>Maximum Loan to Value</b>	Up to 90% for fixed rate product, as set by GSE
<b>Minimum Debt Service Coverage Ratio</b>	1.15x for fixed rate forward 1.25x for non-LIHTC
<b>Maximum Amortization</b>	Maximum of 35 years, or set by GSE
<b>Prepayment Provisions</b>	Yield Maintenance
<b>Subordinate Financing</b>	As Permitted by GSEs
<b>Tax and Insurance Escrows</b>	Required
<b>Fees</b>	As set by GSE-approved lender and negotiated with the Trust. Lender fees may include application fee, forward commitment fee, and credit facility fee. The Trust requires a good faith deposit, non-delivery fee, and payment of Trust legal expenses
<b>Union Labor</b>	The Project must be 100% constructed by contractors and subcontractors which employ only employees for on-site work who are represented by unions affiliated with the local Building and Construction Trades Council and/or North America’s Building Trades Unions