



LOWCOUNTRY HOUSING TRUST

Bridge Loan Program

Purpose

LHT will make short-term loans to provide financing for in progress affordable housing projects where permanent financing or grant funding has already been committed but not dispersed in order to expedite project completion. Applications are accepted continuously.

Eligible Borrowers

- Nonprofit developers, for profit developers, government entities, nonprofit/for profit developer partnerships

Eligible Projects

- Loans must be used for specific housing projects, including single and multi-family housing, which include provisions for units affordable to low, very-low and moderate income households.

Eligible Uses

- Funds must be used for specific project related costs.

Terms

- The maximum loan term is 12 months.

Rate

- Prime minus 2%. *The last reported rate is: 7.5%. Effective since October 31, 2007.*

Repayment

- Principal and interest is due upon disbursement of proceeds from construction financing, permanent financing, or grant funding of the project.

Collateral

- Bridge loans may be secured by a commitment letter for construction or permanent financing, a commitment letter for grant funding, and/or an infrastructure lien on the property, if applicable.

Affordability Controls

- Upon project completion, all units that are funded by LHT will be subject to an infrastructure lien agreement that limits the property rights of the owner for 5 years.

Matching Funds

- No match is required.

Underwriting

- LHT aims to be a flexible funding source and strives to expedite and streamline the application, review, and funding process. However, we take seriously the need to conscientiously underwrite projects and to follow all legal and administrative procedures deemed necessary to secure our financial interests, including the recording of a mortgage on all funded units or property when applicable.

Fees

- A \$250 loan origination fee will be due at closing. Borrowers are responsible for all legal and closing costs.

Program Administration

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Applications are available at www.lowcountryhousingtrust.org