



Golden State Acquisition Fund

The **Local Initiatives Support Corporation (LISC)** is a loan originator through the Golden State Acquisition Fund (GSAF), a \$93 million source of loan capital, seeded with resources made available under Proposition 1C by the California Department of Housing and Community Development, to support the development and preservation of affordable rental or homeownership housing for low-income households in California.

Terms of LISC Loans through GSAF

Eligible Uses: To pay acquisition costs for vacant or improved properties in the State of California.

Eligible Projects:

Multi-Family Rental Housing with (i) 100% of units restricted for Affordable Housing or (ii) mixed-income with not less than 75% of units developed as Affordable Housing (if less than 75%, loan amount will be adjusted).

Homeownership restricted for households at or below 80% of Area Median Income.

Mixed-Use Projects with not less than 75% of total square footage developed as Affordable Housing (if less than 75%, loan amount will be adjusted).

"Affordable Housing" is defined as being affordable to households earning up to 60% of Area Median Income.

Eligible Borrowers: Non-profit or for-profit entities; cities, counties, and public agencies in California; and joint ventures comprised of such entities. Borrowers must demonstrate track record of developing affordable housing.

Loan Amount: Up to \$13.95 million **Interest Rate:** 5.15%

Fees: 1.5% origination fee; contact LISC for legal fee amount.

Maximum Loan Term: Up to five years (including any extensions).

Repayment Terms: Periodic interest payments; principal due in full at maturity.

Interest Reserve: A full or partial interest reserve may be built into the loan (capitalized at closing).

Collateral: Deed of trust on the property in favor of LISC.

Maximum Loan to Value: Non-profit borrowers up to 100%, and for-profit borrowers up to 95%, of the lower of the (i) as-is appraised value or (ii) purchase price of the property.

Regulatory Agreement: For each property, a regulatory agreement, if not already in place, will be required to maintain long-term affordability requirements.

Recourse: Full recourse to borrowers and non-profit sponsors or for-profit principals.

Financial Reports: Quarterly and annual financial statements of borrowers; financial information required for non-profit sponsors or for-profit principals.

Required Third-Party Closing Items: Borrowers will be responsible for paying all third party reports, including but not limited to environmental assessments and FIRREA-compliant appraisals.

Loans are subject to LISC's standard loan application, underwriting, and approval processes and conditions. Terms are subject to change.



Valle Naranjal Farmworker Homes; Piru, Calif.



Erna P. Harris Court; Berkeley, Calif.

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