

# NEW GENERATION FUND LLC

## VACANT PROPERTY LOAN TERM SHEET

The following represent the New Generation Fund's (the Fund) offering of a vacant property acquisition loan product to developers committed to the development of affordable multifamily housing in the City of Los Angeles. Each Underwriting Lender (see contacts below) is delegated authority to set terms (other than loan pricing, maximum term and fees) for each Fund loan, which may vary from the terms outlined here.

|                             |   |
|-----------------------------|---|
| <b>Project Sponsors:</b>    | Not-for-profit and for-profit Sponsors with successful track records in developing affordable housing.  |
| <b>Loan Proceeds:</b>       | May be used for costs associated with the acquisition and predevelopment of vacant property.  |
| <b>Loan Amount:</b>         | Generally up to \$10,000,000. Higher amounts are permitted on an exception basis.   |
| <b>Loan Term:</b>           | Up to 36 months. Maximum loan term including extensions up to 48 months.  |
| <b>Loan to Value:</b>       | <ul style="list-style-type: none"><li>Up to <b>120% Loan to Value</b> for <b>Non-Profit Sponsors</b>.</li><li>Up to <b>95% Loan to Value</b> for <b>For-Profit Sponsors</b>.</li></ul>  |
| <b>Collateral:</b>          | First priority interest in the real estate.   |
| <b>Pricing:</b>             | Fixed and variable rates from approximately 4.90% to 5.20% (indexed to LIBOR).  |
| <b>Origination Fees:</b>    | Up to 2.5%.   |
| <b>Recourse:</b>            | <b>100% to the Borrower.</b>  |
| <b>Repayment Guarantee:</b> | <ul style="list-style-type: none"><li><b>25% to Non-Profit Sponsors.</b></li><li><b>100% to For-Profit Sponsors.</b></li></ul>  |
| <b>Repayment Source:</b>    | Generally the Fund is repaid from construction financing proceeds. The Fund will require a soft commitment letter from the Los Angeles Housing + Community Investment Department (HCIDLA), another Governmental Agency or a Fund-approved private source. |

PLEASE CONTACT ONE OF OUR UNDERWRITING LENDERS TO DISCUSS YOUR PROJECT



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# NEW GENERATION FUND LLC

## OCCUPIED PROPERTY AND REHABILITATION (PRESERVATION) LOAN TERM SHEET

The following represent the New Generation Fund's (the Fund) offering of an acquisition and acquisition & moderate rehab loan product to developers committed to the preservation of affordable multifamily housing in the City of Los Angeles. Each Underwriting Lender (see contacts below) is delegated authority to set terms (other than loan pricing, maximum term and fees) for each Fund loan, which may vary from the terms outlined here.

|   |  |
|---|--|
| <b>Project Sponsors:</b>                          | Not-for-profit and for-profit entities with successful track records in developing affordable housing.   |
| <b>Loan Proceeds:</b>                             | May be used for costs associated with the acquisition, predevelopment and minor to moderate rehabilitation, as applicable, of occupied residential property.   |
| <b>Loan Amount:</b>                               | Generally up to \$10,000,000. Higher amounts are permitted on an exception basis.  |
| <b>Loan Term:</b>                                 | Up to 36 months. Maximum loan term including extensions up to 48 months.   |
| <b>Acquisition &amp; Minor Rehabilitation:</b>    | Loans are sized based on the <b>as-is value</b> , <ul style="list-style-type: none"><li>▪ <b>Up to 120% Loan to Value for Non-Profit Sponsors.</b></li><li>▪ <b>Up to 95% Loan to Value for For-Profit Sponsors.</b></li></ul> Sponsors may use loan proceeds up to \$7,500/unit for hard costs, not to exceed 7% of total Loan Amount.    |
| <b>Acquisition &amp; Moderate Rehabilitation:</b> | Loans are sized on the <b>as-completed value</b> . <ul style="list-style-type: none"><li>▪ <b>Up to 120% Loan to Value for Non-Profit Sponsors.</b></li><li>▪ <b>Up to 95% Loan to Value for For-Profit Sponsors.</b></li></ul> Sponsors may use loan proceeds up to \$30,000/unit for hard costs, not to exceed 25% of total Loan Amount. |
| <b>Collateral:</b>                                | First priority interest in the real estate.  |
| <b>Pricing:</b>                                   | <ul style="list-style-type: none"><li>▪ <b>Acquisition:</b> Fixed and variable rates from approximately 4.90% to 5.20% (indexed to LIBOR).</li><li>▪ <b>Acquisition &amp; Moderate Rehab:</b> Fixed and variable rates from approximately 5.85% to 6.10% (indexed to LIBOR).</li></ul>   |
| <b>Origination Fees:</b>                          | Up to 2.5%.  |
| <b>Recourse:</b>                                  | <b>100% to the Borrower.</b>   |
| <b>Repayment Guarantee:</b>                       | <ul style="list-style-type: none"><li>▪ <b>25% for Non-Profit Sponsors.</b></li><li>▪ <b>100% for For-Profit Sponsors.</b></li></ul>   |
| <b>Repayment Source:</b>                          | Generally the Fund is repaid from construction financing proceeds. The Fund will require a soft commitment letter from the Los Angeles Housing + Community Investment Department (HCIDLA), another Governmental Agency or a Fund-approved private source.  |

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