

Green Subordinate Construction or Rehab Loan (Permanent with Repair Holdback)

Purpose: To fund construction or rehab that is designed to meet CPC Climate Capital's performance standards, prioritizing investments in Low-Income and Disadvantaged Communities (LIDAC).

ELIGIBILITY REQUIREMENTS

- Existing Buildings:
 - Must meet either Save a Ton, Clean Air, or Clean Air Boost performance standard to qualify (definitions attached)
- New Construction
 - Must meet Clean Air Boost performance standard (definition attached)

TERMS

Eligible Locations	Available in all U.S. states, territories, and tribal communities
Eligible Properties	Multifamily buildings with a minimum of 5 units
Loan Size	\$8,000 per annual ton of projected carbon reduced
Max Loan Size	10% of total development cost
Minimum Equity	<ul style="list-style-type: none"> • 10% of total development costs (for-profit) • 2% of total development costs (not-for-profit)
Lien Priority	Subordinate to first mortgage
Interest Rate	Up to 3% subject to market conditions
Amortization	Interest-only during construction
Max LTV	Up to 100%; exceptions will be made on a case-by-case basis determined in conjunction with the first mortgage lender for subsidized affordable deals
Minimum DSCR	Minimum DSCR at permanent take-out: as determined by first mortgage lender

CPC Climate Capital, in its sole discretion, may, at any time and without prior notice, update or adjust the terms stated above, terminate the loan program, amend, or waive compliance with any terms (subject to applicable statutes and regulatory requirements). CPC Climate Capital also retains the right to not award funds or reject any or all proposals for funding under this program. All proposals must comply with all federal, state and local laws. Sep. 2024.

Term	Coterminous with the construction lender; not to exceed 36 months
Payoff	At conversion or payoff of construction loan
Fee	Up to a 1% borrower paid origination fee
Collateral	Secured subordinate mortgage
Availability of Loan Proceeds	All improvements must be completed, and funds must be drawn within a maximum of 36 months from loan closing
Liquidity Requirements	Align with first mortgage lender requirement; Financing will adhere to standard construction monitoring and underwriting requirements
Guarantee	Borrower/Sponsor will provide a construction loan guarantee consistent with the first mortgage lender



For more information,
visit us online at
CPCClimateCapital.com

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