# **Acquisition & Predevelopment Loans**

Creative financing for mission driven projects with loans up to 90-125% loan-to-value and no prepayment fees

Key Loan Terms & Features*		
Loan Purpose	Acquisition and pre-development of real estate to develop mission aligned projects including, but not limited to, healthcare facilities, education facilities, housing, commercial, and mixed-use developments.	
Eligible Borrowers	For-profits & non-profits with preference for projects in our core geographies.  Loans are full recourse to borrowers, sponsors and beneficial owners.	
Loan Amount	Non-operating properties: \$500,000 to \$15,000,000	Operating properties: \$500,000-\$20,000,000
Term	Up to 3 years plus up to two 1-year extensions (5 -years total) for non-operating properties. Up to 10 years for operating properties.	
Interest Rate	Fixed based on Treasury rate corresponding to loan term + 4 - 5% spread for loans with no draws. Floating based on 30-day SOFR + 3.5 - 4.5% for loans with draws. Lower rates depending on eligibility and availability of special funding sources.	
Payments	Interest only for most loans. Operating properties may require amortization, up to 25-30 years.	
Prepayment Fees	No prepayment fee for terms of 3 years or less. Prepayment fees reduce over time.	
Fees	Origination: 1-1.5% of the Loan Amount (includes 0.25% underwriting fee), Legal: typically \$30,000-35,000, but varies depending on deal complexity Disbursement Management: 0.25% for loans with multiple draws	
Collateral	Typically includes, but is not limited to the following::  • 1st position on: Property; all business assets; collateral assignment of all management, service contracts and documents (where applicable); and collateral assignment of rents and leases (where applicable).  • 2nd lien position may be considered on a case by case basis.	
Equity Requirement	5-10% including subordinate debt, grants, federal or state subsidy, and pre-incurred costs	
Debt Service Coverage Ratio	(For operating properties only) 1.15-1.35x depending on project type	
Timing	60–90 day closings are possible from receipt of the underwriting fee. Timing may vary based on due diligence required and the borrower's response time.	

<sup>\*</sup> Terms on this fact sheet are indicative; however, all terms may vary depending on deal specifics.

# Our Full Suite of Loan Offerings

Our team goes above and beyond to get complex deals done so that our borrowers can create impact for their communities. Our loan types include:



**ACQUISITION LOANS** to purchase land and buildings



PRE-DEVELOPMENT LOANS

for feasibility planning, architectural drawings, and other early needs



#### BRIDGE LOANS

to bridge grant funding or tax-credit equity investment



#### **TENANT IMPROVEMENT LOANS**

to finance renovation at a leased facility



#### CONSTRUCTION LOANS

to finance from-the-ground-up construction and renovation projects



#### **NEW MARKET TAX CREDITS**

to incentivizes community development



### WORKING CAPITAL LOANS

to finance operating cash flow needs



**EQUIPMENT LOANS** 

to purchase equiment

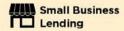
## Interested in learning more? Please contact us in your region:

Eric Relos - CA 510.712.9021   erelos@capitalimpact.org	Kelly Bougere - MI 646.989.1103   kbougere@capitalimpact.org		
Sydnee Freeman - TX, FL, GA 512.957.9023   sfreeman@capitalimpact.org	Seth Whetzel - DC, MD, VA, NY, CT, NJ 703.647.2323   swhetzel@capitalimpact.org		
Pyon Cuyton National			

Ryan Guyton - National 510.597.2057 | rguyton@capitalimpact.org

## Offering a Continuum of Lending, Investment, and Advising Solutions

Across the Momentus Capital branded family of organizations, we offer solutions for entrepreneurs, community-based organizations, & local leaders at every growth stage - from inception to expansion. We can provide you with the capital & opportunities you deserve.







Community Development Real Estate









Momentus Securities is an SEC-registered broker-dealer, a MSRB-registered municipal advisor, a FINRA-approved municipal advisor and municipal securities broker-dealer, and a FINRA/SIPC member.