

**APPENDIX E**

**Sample Permanent Lender Letter of Intent (Private Financing)**

(must be on lender's letterhead)

Attn: Low-Income Housing Tax Credit Program

The undersigned (Lender) hereby makes the following representations to induce the N.C. Housing Finance Agency to reserve to \_\_\_\_\_ (Applicant) Low-Income Housing Tax Credits for the development located at or to be located at \_\_\_\_\_, known as or to be known as \_\_\_\_\_, and consisting of or to consist of \_\_\_\_\_ units (Development):

1. The Lender has issued a letter of intent (Letter) to Applicant to provide permanent financing in the amount not to exceed \$\_\_\_\_\_ (the Loan amount).
2. The Letter does not contain any conditions which are not customary and reasonable for loans of this nature and amount and which are not reasonably expected by the Lender to be met at the time of loan funding.
3. The loan, if made, shall have a term of at least \_\_\_\_\_ years, at a fixed interest rate of \_\_\_\_\_ % or shall be indexed to \_\_\_\_\_, which is at a current rate of \_\_\_\_\_ %. There shall be no balloon payments due for at least 15 years.
4. The amortization period of the loan shall be \_\_\_\_\_.
5. The anticipated security interest of the Lender shall be (fee simple, leasehold) and a \_\_\_\_\_ position.
6. This Letter of intent shall be valid until \_\_\_\_\_.
7. The total amount of fees associated with permanent financing (i.e. origination) are \$\_\_\_\_\_. The Lender understands that the Agency needs this information to determine the Development's eligible basis.

\_\_\_\_\_  
Name of Lender

By: \_\_\_\_\_

**Sample Permanent Lender Letter of Commitment (Public Financing)**

(must be on lender's letterhead)

Attn: Low-Income Housing Tax Credit Program

The undersigned (Lender) hereby makes the following representations to induce the N.C. Housing Finance Agency to reserve to \_\_\_\_\_ (Applicant) Low-Income Housing Tax Credits for the development located at or to be located at \_\_\_\_\_, known as or to be known as \_\_\_\_\_, and consisting of or to consist of \_\_\_\_\_ units (Development):

1. The Lender has issued a letter of commitment (Letter) to Applicant to provide permanent financing in the amount not to exceed \$\_\_\_\_\_ (the Loan amount).
2. The source of the funding will be \_\_\_\_\_ (HOME, Trust Fund, etc.).
3. The Letter does not contain any conditions which are not customary and reasonable for loans of this nature and amount and which are not reasonably expected by the Lender to be met at the time of loan funding.
4. The loan, if made, shall have a term of at least \_\_\_\_\_ years, at a fixed interest rate of \_\_\_\_\_%. There shall be no balloon payments due for at least 15 years.
5. The amortization period of the loan shall be \_\_\_\_\_.
6. The anticipated security interest of the Lender shall be (fee simple, leasehold) and a \_\_\_\_\_ position.
7. This Letter of commitment shall be valid until \_\_\_\_\_.
8. The total amount of fees associated with permanent financing (i.e. origination) are \$\_\_\_\_\_. The Lender understands that the Agency needs this information to determine the Development's eligible basis.

\_\_\_\_\_  
Name of Lender

By: \_\_\_\_\_