

January 23, 2022

TERM SHEET
FGCU Attainable Housing
Phase 1 264 units
Preliminary FGCU Loan Terms

BORROWER: CAPFA Capital Corp 2022A

PURPOSE: To provide gap financing for the development of 264 **multi-family** rental units which will be discounted for use by FGCU and Lee Health employees

	FGCU Finance Corp
Loan Amount	Up to \$10,000,000
Interest Rate	2.00%
Maturity Date	10 years after Completion
Amortization Period	40 years
Construction Terms	Interest Only

GUARANTOR(S): **The loan is non-recourse.**

COLLATERAL: The Loan will not be secured. In the case of a sale, the Financing Corporation will be in second position and repaid after the first mortgage, before any equity is returned to FGCU or Lee Health are paid.

CONDITIONS: The Loan is subject to the following additional conditions and covenants:

Financial Reporting Requirements:

- Borrower to supply complete copies of the Business Tax Return annually beginning with the 2022 Business Tax Return.
- Borrower to provide Financial Statement on an annual basis

Financial Covenants

- Minimum Debt Service Coverage of 1.18X will be maintained as required for the First Mortgage.

Other Conditions:

- Borrower to pay all reasonable costs associated with this transaction
- No subordinate financing on the property taken as collateral without written approval, which will not be unreasonably withheld.