

# USDA RD 538 Loan

Long-term, fixed-rate Financing for Rural Multifamily Properties



Churchill Stateside Group (CSG) and its wholly owned affiliates serve the multifamily and affordable housing, senior housing and healthcare, and renewable energy industries. CSG sponsors tax credit equity investment funds for institutional investors and provides a variety of construction and permanent financing solutions to developers.

The company's investor and developer clients benefit from an experienced staff, prominent and proactive senior leadership, and attractive debt and equity platforms. CSG has long-standing and successful investment relationships with numerous corporate investors, pension funds, and insurance companies. The company is an approved USDA Rural Development and HUD MAP and LEAN Lender. CSG pursues high quality lending and investment opportunities across the nation.

## TERMS

### Eligible Properties

New construction or rehabilitation of existing multifamily properties containing 5 or more units.

### Qualified Borrower

For-profit or non-profit single asset, single purpose entity.

### Loan Amount

\$250,000 minimum; no maximum.

### Term/Amortization

Maximum of 40 years; minimum of 25 years.

### Low Fixed Interest Rate

Fixed for term of the loan; rate locked prior to closing. A rate lock deposit equal to 0.50% of loan amount required; refunded 30-45 days after closing.

### Financing Structure

USDA currently offers three loan guarantees\*

**Option 1** - Permanent Loan Guarantee.

**Option 2** - Construction Advance + Permanent Loan Guarantees.

**Option 3** - Continuous Construction/Perm Loan Guarantee.

### Non Recourse Guarantee

Non Recourse loan; except for standard carve-outs.

### Prepayment

10-year total prepayment period with a 0-2 year initial lock-out followed by declining penalty thereafter; 0% prepayment after 10 years. No prepayment during construction period.

### Commercial Space

Limited to 10% of gross floor area and/or 10% of total project income.

### Sizing Constraints

Debt Service Minimum = 1.15 on all mandatory pay debt

Max Loan To Value = 90% (97% for non-profits)

Max Loan to Cost = 70%

### USDA Guarantee Fee

Initial - 1% of Guaranteed Portion of loan (RD Guarantees 90%).

Ongoing - 0.50% of Unpaid Principal Balance.

### Operating & Maintenance Reserve

Minimum of 2% of the loan amount funded at permanent loan closing; released as surplus cash distribution after first year of stabilized operations.

### Contingency Reserve

Minimum of 2% of the construction contract; released upon achievement of 90% occupancy for 90 days; funded at loan closing (for options 2 and 3 only).



MULTIFAMILY LENDING



RENEWABLE ENERGY



BOND UNDERWRITING



TAX CREDIT SYNDICATION



RESIDENTIAL HEALTHCARE FACILITIES

Conventional, HUD/FHA, USDA RD 538 Lending, Tax Credit Equity, and Investment Capital.

[CSGfirst.com](http://CSGfirst.com)

# CONTACT US



915 Chestnut Street,  
Clearwater, FL 33756



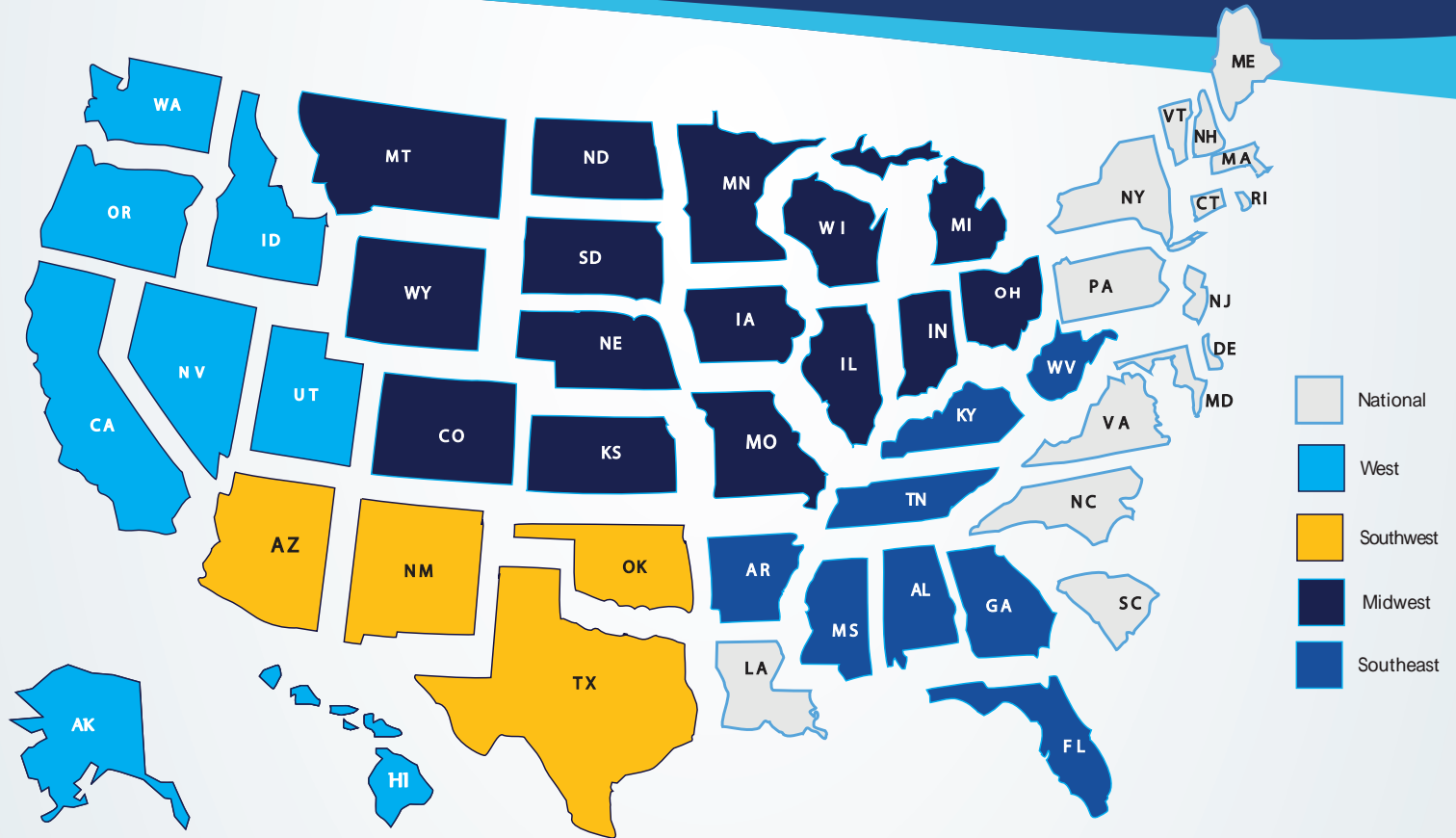
+1 727 461 2200



CSGfirst.com



Providing Experience & Integrity Since 2005



## DANIEL DUDA

Senior Vice President,  
National Director of Originations and Acquisitions

(e) dduda@csgfirst.com  
(m) +1 727 415 9556

915 Chestnut Street, Clearwater, FL 33756



## GUY SPIELER

President, Churchill Stateside Securities, LLC  
West Regional Officer

(e) gspieler@cssecurities.com  
(m) +1 312 788 2623

203 N. LaSalle Street, Suite 2100, Chicago, IL 60601



## ALEX HOLVERSON, MSRE

Vice President,  
Midwest Regional Officer

(e) aholverson@csgfirst.com  
(m) +1 904 207 8086

203 N. LaSalle Street, Suite 2100, Chicago, IL 60601



## BLAIR HENDERSON, CPA

Assistant Vice President,  
Southwest Regional Officer

(e) bhenderson@csgfirst.com  
(m) +1 727 223 6415

915 Chestnut Street, Clearwater, FL 33756



## MICHAEL E. SPAIN, esq.

Vice President,  
Southeast Regional Officer

(e) mspain@csgfirst.com  
(m) +1 813 629 5721

915 Chestnut Street, Clearwater, FL 33756



## ALLAN K. RUGG

Vice President,  
FHA/HUD Multifamily and Healthcare Finance Officer

(e) arugg@csgfirst.com  
(m) +1 240 462 7432

14611 Viburnum Drive, Dayton, Maryland 21036

Churchill Mortgage Investment LLC ("CMI") is a subsidiary of Churchill Stateside Group, LLC. CMI is an FHA MAP/LEAN and USDA Approved Lender. Churchill Stateside Securities, LLC (CSS) is an independent broker-dealer, registered with the U.S. Securities and Exchange Commission (SEC), a member of the Financial Industry Regulatory Authority, Inc. (FINRA), the Securities Investor Protection Corporation (SIPC), and MSRB registered. Check the background of Securities offered through Churchill Stateside Securities, LLC and your investment professional on FINRA's BrokerCheck: [brokercheck.finra.org](http://brokercheck.finra.org)