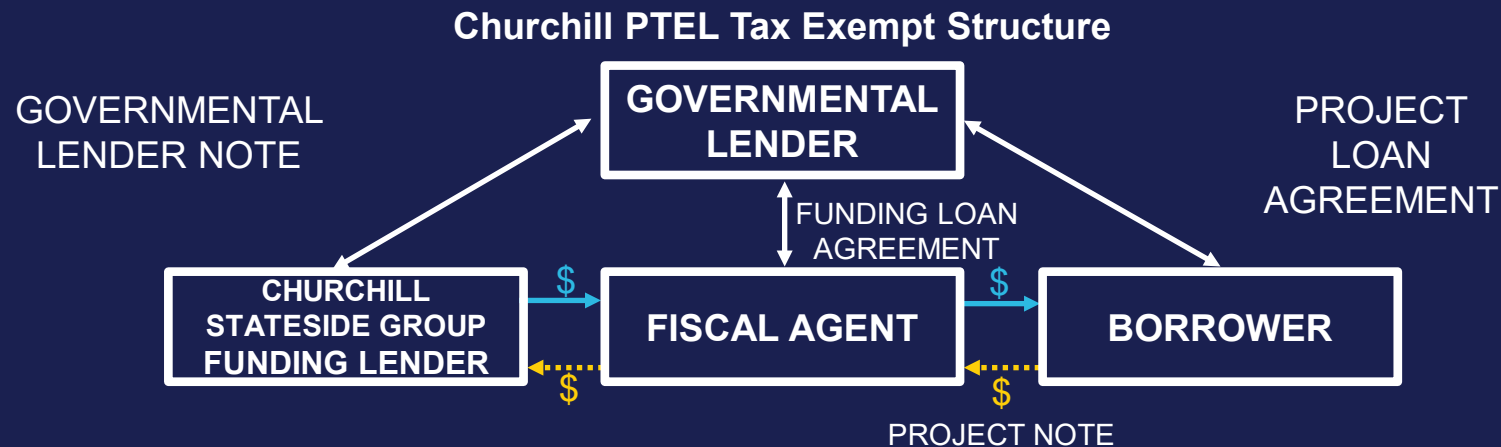




4% LIHTC Projects
Churchill Private Placement
Tax Exempt Loan Program

Private Placement Structure

- Rather than purchasing bonds, Churchill Stateside Group (or the “**Funding Lender**”) makes a loan (the “**Funding Loan**”) directly to the Municipal Entity (the “**Governmental Lender**”). The Governmental Lender then loans the proceeds of the Funding Loan directly to the **Borrower** (the “**Borrower Loan**”). This is basically a tax-exempt loan to a governmental lender, which loans the proceeds to the Borrower.



\$ - Proceeds

\$ - Debt Service Payments

Churchill PTEL

Structure Overview

- Similar Structure to Traditional Loans
- Churchill Makes Loan to Governmental Lender, Who Loans Proceeds to the Borrower
- Churchill's Private Investor(s) 'Buy' the Tax-Exempt Loan ('TEL')
- TEL Converts from Construction I/O to P&I Amortization at Stabilization
- TEL Outstanding for 18 Year Term

Churchill PTEL Program Terms

- Construction & Permanent Options
- Churchill is Lender & Servicer
- 18 Year Term / 40 Year Amortization
- 1.15x DSC Minimum
- 90% Loan to Value Maximum
- 90% Loan to Cost Maximum
- Recourse Construction & Non-Recourse Perm
- EARLY RATE LOCK AVAILABLE UPON EXECUTION OF APPLICATION. NO COMMITMENT NEEDED.

Churchill PTEL

	Churchill PTEL
Eligible MSA	All
Eligible Use	New Construction & Substantial Rehab
Affordability Requirements	80% LIHTC / 20% Market Rate (w/10% Market Advantage)
Bond Issuance Fees	Vary by State
Bond Underwriter	No
Arbitrage	No

Churchill PTEL

	Churchill PTEL
Minimum Debt Coverage	1.15
Maximum LTV	90%
Maximum LTC	80%-90%
Guarantee/MIP	N/A
Recourse	Recourse Construction Non-Recourse Perm

Churchill PTEL Case Study



Property Name:	Burlington Commons	Construction Period:	24 Months, Interest Only
Location:	Knoxville, TN	Permanent Term:	18 Years
Number of Units:	50	Amortization:	40 Years
City Housing Grant Loan:	\$1,470,000	Guarantee:	Recourse During Construction, Non-Recourse Permanent Phase
PTEL Construction Phase:	\$5,400,000	Governmental Lender:	The Health, Educational and Housing Facility Board of the County of Knox
PTEL Permanent Phase:	\$4,978,000		
Federal Tax Credit Equity:	\$3,197,584	Churchill's Legal Team:	Norris George & Ostrow, PLLC & Butler Snow LLP

Q&A



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