

EXHIBIT 1 MF K – TAX INCREMENTAL FINANCING TERM SHEET

Purpose	To provide a permanent source of funds to monetize forecasted tax increment payments from a municipality. Construction financing is also available for approved developments. Such financing is generally limited to the construction term of the first mortgage financing unless TIF structure dictates otherwise.
Funding Source	Project Mortgage Loan Account (PMLA), Series 2005 F or General Revolving Loan Fund
Eligible Borrowers	For-profit, or other entities meeting criteria established by WHEDA.
Eligible Developments	Must be paired with WHEDA financing.
Minimum Set-Aside	20% of all units set-aside for households with incomes not exceeding 50% of County Median Income (CMI). OR 40% of all units set-aside for households with incomes not exceeding 60% of CMI. Total rent plus utilities cannot exceed 30% of the respective CMI levels.
Term	Match Municipal TIF Developer Agreement term definition.
Amortization	Match Municipal TIF Developer Agreement term definition.
Loan Sizing	Equal to 90% of net present value of the annual tax reimbursement. <ul style="list-style-type: none"> • Discounted by the current WHEDA Tax-Exempt Financing rate for the duration of the property tax reimbursement.
Rate	Match WHEDA Tax-Exempt Bonded Financing rate. Permanent fixed-rate financing rate published weekly on www.wheda.com .
Origination Fee	1.5% of mortgage loan commitment amount for permanent financing.
Prepayment Provision	Allowed subject to negotiated subordinate debt structuring and municipal TIF developer agreement.
Credit Enhancement	Personal or corporate guaranty of TIF increment revenue stream may be required.
Payment	Payment of loan will be made annually for prior year with the payment date determined based on the date the municipality will make payments each year. If payment exceeds 100% of the increment due principal will be reduced. If payment is less than 100% of the increment due the borrower must provide funds for the shortfall.
Conditions to Funding	The following conditions must be met prior to the funding of the mortgage loan: <ul style="list-style-type: none"> • Evidence of TID existence • Municipal TIF developer agreement(s) • TIF Term Period Definition • Annualized TIF Increment sizing methodology not limited to: <ul style="list-style-type: none"> • Baseline Property Value • Forecasted Stabilized Property Value • Municipal Taxing Rate
Loan Structuring Fee	One-half of the origination fee is payable upon acceptance of the Mortgage Loan Commitment Letter; this fee is credited toward the loan origination fee at closing