

INFRASTRUCTURE ACCESS LOAN – DEVELOPER TERM SHEET

For Multifamily Rental Housing

The below terms are effective for new applications starting in the Fall 2026 Cycle

Purpose	Subordinate financing for the installation, replacement, upgrade, or improvement of the infrastructure (streets, sidewalks, water lines, street lights, etc.) portion of a workforce housing development, per competitive process.
Funding Source	Act 14 Residential Housing Infrastructure Revolving Loan Fund
Eligible Borrowers	Multifamily developers that construct or create residential housing. Cities, villages, towns, counties and federally recognized American Indian tribes are not eligible (see Government term sheet). In order to be awarded cash flow dependent debt, the Borrower must be a Single Purpose Entity (SPE). An SPE will own and operate the Project, but not any other real property, assets and/or operate any other business interests in this entity.
Eligible Projects	New multifamily housing for rent that satisfies all the following: - Any applicable sewer or water service area plan has been amended if necessary. - Developer has secured necessary finances for total housing development costs not covered by WHEDA loan. - All permits and approvals secured. - Eligible Governmental Unit has reduced the cost of the eligible project by voluntarily revising ordinances or regulations applicable to the project and revisions that generally apply to residential housing projects within the Governmental Unit on or after January 1, 2020. - Eligible Governmental Unit has updated the housing element of its comprehensive plan within the 5 years immediately preceding the date of application and is in compliance with relevant comprehensive housing plan rules. This condition may be satisfied if, within the 5 years immediately preceding the date of the loan application, the governmental unit adopts an ordinance or resolution certifying that the housing element of its current comprehensive plan provides an adequate housing supply that meets existing and forecasted housing demand in the Governmental Unit. - Eligible Governmental Unit is in compliance with Wisconsin Statutes ss. 66.1001, 66.1001(3), 66.1001(4) regarding the creation, content and amending of its comprehensive plan
Eligible Uses	To cover the costs of installation, replacement, upgrade, or improvement of the below infrastructure related to an eligible project. The infrastructure must be or will be owned, maintained, or provided to/or by a governmental unit, or private infrastructure in rural areas if transferred to public use, as determined by the authority, that relates to an eligible project. - A water distribution system. - A water treatment plant. - A wastewater treatment plant. - A sanitary sewer system. - A storm sewer system. - A stormwater retention pond. - A lift or pump station. - A street, road, alley, or bridge. - A curb, gutter, or sidewalk. - A traffic device. - A street light. - An electric or gas distribution line.
Multifamily Affordability Requirements	The estimated annual housing costs, as defined under s. 16.301 (3), do not exceed, or are not expected to exceed, 30 percent of 100 percent of the area median income, with family size determined using the federal imputed income limitation, as defined in 26 USC 42 (g) (2) (C), and the utility-related costs if not

	included in the rent equal the utility allowance determined by the federal department of housing and urban development. The housing is for occupancy by individuals whose annual household income does not exceed 100 percent of the area median income. Affordability must be maintained for the greater of 10 years after initial occupancy or full repayment of the loan.
Minimum Set-Aside Units/Lots	All units constructed must meet affordability requirements
Loan Amount	The lesser of total infrastructure costs or 33% of the total cost of development of the residential housing supported by the eligible project. *Availability may be limited based on loans previously awarded in each Regional Planning Commission district as outlined in the Award Plan.
Rate	0% *Rate determined per application round
Term	Matching senior lender(s), with no more than a 2-year interest only period followed by a term that is the greater of 10 years from the conversion date or the term of the senior lender's term, not to exceed 30 years. The I/O period is to be set at closing with a fixed conversion date in the loan documents. If there is no senior lender, the term will be 10 years.
Amortization	30-year amortization
Loan-to-Value Ratio (LTV)	100% LTV.
Debt Coverage Ratio (DCR)	Utilizing senior debt DCR plus WHEDA subordinate financing added = 1.0
Credit Enhancements	Unlimited personal or corporate guarantee required if the project's debt exceeds 75% of the project's valuation. A personal guarantee will be required if the senior lender requires a personal guarantee, and a corporate guarantee will be required if the senior lender requires a corporate guarantee.
Payment	Commencing on the Conversion Date, the payments of principal and interest will be due. If more than 5% of the project costs are financed by Restore Main Street, Vacancy to Vitality, and Infrastructure Access, (collectively, "Competitive Loans"), that portion of the Competitive Loans over 5% will be must-pay debt with payments due monthly. For the portion of Competitive Loans less than or equal to 5% of project costs, payments of principal and interest will be due annually. Borrower must provide notice to Lender on or before the date set forth in the loan documents for the Annual Payment if the amount of Surplus Cash available in that year may be insufficient to pay the full amount of the Annual Payment. Borrower's notice shall specify the amount, if any, of available Surplus Cash, and on the date set forth in the loan documents, Lender shall collect the full amount of such Surplus Cash as payment in part on the Annual Payment. Interest shall continue to accrue on the unpaid portion of the Annual Payment at the Interest Rate. Notwithstanding any shortfalls previously added to Annual Payments, any shortfall in an Annual Payment in a given year will not modify the amount of any following Annual Payments. In the event notification of Surplus Cash is insufficient to pay the full amount for the Annual Payment, WHEDA will review Borrower's financial statements to determine no or only partial surplus cash was available at time of payment. Current financial statement submission requirements are on WHEDA's website. If WHEDA determines Surplus Cash was available, such payment shall be made within 10 days of receiving WHEDA's notice.

	If Borrower is not an SPE, the Competitive Loan(s) will be must-pay debt, with payments of principal and interest due monthly.
<i>Prepayment Provision</i>	Prepayment allowed, without penalty at any time. Affordability requirements will remain if payoff occurs within the 10-year affordability requirement.
<i>Re-subordination</i>	Re-subordination of existing must pay Infrastructure Access Loans to senior debt is permitted during the initial 10 years, provided there is no change in the control of ownership of the property, nor control of the entity is greater than 50%, and provided there is no change to the collateral in place at the original loan closing. The loan will be required to meet WHEDA's DCR, LTV, and guarantee requirements at the time of refinance. Guarantees required at original loan closing will remain in place in the event of a re-subordination, and if the new senior lender requires guarantees, WHEDA will mirror these requirements for the Infrastructure Access Loan. The loan must be repaid if the property is refinanced 10 years or more after the conversion date.
<i>Escrows</i>	N/A
<i>Environmental Reviews</i>	See Award Plan for requirements.
<i>Capital Needs Assessment (CNA)</i>	N/A
<i>Origination Fee</i>	0%
<i>Loan Structuring Fee (Non-refundable)</i>	0%
<i>Application Fee</i>	0%