

Virginia Housing Development Authority

Multi-Family Interest Rates and Fees

as of

November 20, 2009 11:30 AM

ALL INTEREST RATES AND MONTHLY PREMIUMS CHANGE WITH MARKET CONDITIONS THROUGHOUT THE DAY. ACTUAL INTEREST RATE WILL BE ESTABLISHED UPON LOCK-IN (TAXABLE PROGRAM) OR BOND PRICING (TAX-EXEMPT PROGRAM).

TAXABLE Program

	<u>Interest Rate on the Portion of a Mortgage Loan Funded pursuant to the TAXABLE Program (1)</u>	<u>Combined Processing Fee (0.5%) and Financing Fee (2)</u>
Permanent Loan		1.0%
Immediate Delivery (1 month to close)	7.420%	
Premium for Each 1-Month Extension of the Delivery Period (not to exceed a total of 18 months)	8.5 bp	
Example: 15-Month Forward Delivery (15 months to close = immediate delivery + 14 additional months)	8.610%	
Construction and Permanent Loan (3)		2.0%
Construction Interest Rate	2.236%	
Permanent Interest Rate (effective beginning 15 months after rate lock)	8.015%	
Premium (Discount) for Each Month of Adjustment to the base 15-month Construction Rate Period (to be added to (subtracted from) the base permanent rate)	4.3 bp	

TAX-EXEMPT Program

	<u>ESTIMATED Interest Rate on the Portion of a Mortgage Loan Funded pursuant to the TAX- EXEMPT Program (4)</u>	<u>Combined Processing Fee (0.5%) and Financing Fee (2)</u>
Construction and Permanent Loan	6.47%	2.0%

REACH / SPARC Program

Base REACH / SPARC Program: Fixed Annual Interest Rate of 5.25% and a Processing Fee of 0.5% (5)

Specialized Housing for People with Disabilities: Fixed Annual Interest Rate of 6.25% and a Processing Fee of 0.5% (5)

Notes:

1. For the Taxable Program, all interest rates and monthly premiums change with market conditions throughout the day. Actual interest rates will be established upon lock-in. Rate locks can normally be executed from 9:00 a.m. to 3:00 p.m., Monday through Friday, with the exception of holidays, bond market closings and any day on which VHDA offices are closed.
2. The financing fee (not the processing fee) can be reduced by an increase in the interest rate at the exchange rate of 15 basis points (0.15%) in interest rate for each one percent (1%) financing fee not paid upfront.
3. In the base case, the Construction Interest Rate is applicable from rate lock until 15 months later. The Permanent Interest Rate is effective thereafter. The Construction Rate Period may be extended (or shortened) by adding (or subtracting) the monthly Premium to (or from) the base Permanent Interest Rate for each month added (or subtracted). Such adjustment cannot be made after rate lock. The Permanent Interest Rate will become effective as scheduled, even if permanent closing is delayed. The Construction Interest Rate Period is not to exceed 24 months and in no case will extend past the first day of the month immediately preceding the first scheduled principal and interest payment.
4. For the Tax-Exempt Program, the actual interest rate will be established at the time of bond pricing.
5. For the REACH / SPARC Program, interest rates are subject to change at least quarterly.