Modifications to the Idaho Collateral Support Program (CSP)
Updated as of August 3, 2015

Funding of the Collateral Deposit Accounts:

The Collateral Deposit provided to the Lender will be funded in two phases; 50% of the total approved collateral support will fund at the time of the loan closing and the remaining 50% of approved collateral support will be deposited within 45 days of the time that IHFA is notified of a potential “risk of loss” against the Lender’s loan.

Example of the phased funding –
Lender loan: $1,000,000
Term: 12 months
Identified Collateral Shortfall: $200,000 (20% of Lender’s loan amount)
Collateral Support Funding:
50% of approved collateral support at loan closing: $100,000
Remainder 50% of approved collateral support at within
45 days notice of potential “risk of loss” on Lender’s loan: $100,000

Collateral Support Levels:

- Category I (loans with maturities of 1 year or less) up to a maximum of 20% of the Lender’s loan amount or $1,000,000, whichever is less.
- Category II (loans with maturities of 1 year to 5 years) up to a maximum of 20% of the Lender’s loan amount or $500,000, whichever is less.
- Category III (loans with maturities exceeding 5 years) up to a maximum of 15% of the Lender’s loan amount or $250,000, whichever is less.

Collateral Support Level:

- Maximum amount of collateral support for any one borrower or project; $1,000,000 (to include entities through common ownership interests). Common ownership applies to any individual holding an ownership interest of 20% or greater in a Lender’s borrowing entities.

Collateral Deposit Fee Structure:

- Category I (loans with maturities of 1 year or less)
  ½% of the Collateral Support Provided on the participating Loan
- Category II (loans with maturities of 1 year to 5 years)
  1% of the Collateral Support Provided on the participating Loan
- Category III (loans with maturities exceeding 5 years)
  1 ½% of the Collateral Support Provided on the participating Loan