1. Introduction

In 2013, the Barnes Fund for Affordable Housing was created to assist in providing good quality affordable housing to residents of Davidson County with limited means. The housing trust fund is named after Rev. William Barnes who has worked tirelessly over five decades to improve the lives and housing conditions of Davidson County residents.

The Barnes Fund as a housing trust fund for Metropolitan Nashville and Davidson County will target households with incomes at or below 80% of the HUD area median family income to help address critical housing needs. The Commission was created to oversee and administer the Barnes Fund in a way that positions it to attract investment and provide good quality affordable housing to boost prosperity of the entire community.

As a Council Member, Mayor Megan Barry co-sponsored legislation that created the Barnes Affordable Housing Trust Fund. Her dedication to the Fund continues as Mayor, in order to ensure affordable housing options for Nashvillians. In April 2016, Mayor Barry announced a $10M commitment in her annual budget, which Council approved, for the Barnes Fund.

First Round of Funding

In 2014, the initial funding round for the Barnes Fund created 40 affordable rental units for persons with incomes at or below 60% ($33,450) of the median family income adjusted for family size. The $2,000,000 Barnes investment leveraged an additional $2,517,345 in federal and private funds for a total of $4,517,345 invested in affordable housing. One half of the units were for special needs persons with incomes below 30% ($24,250) of the median family income which required a substantial grant subsidy to ensure the units were affordable.

Second Round of Funding

For the 2014-2015 budget, Mayor Dean recommended, and the Metro Council approved, $500,000 from the general fund budget be appropriated to the Barnes Fund for Affordable Housing. It is important to note that this is the first time general fund revenues have been proposed for the Barnes Fund. Recommendations from the Metropolitan Affordable housing Trust Fund Commission will be provided to Metro Council in 2016.
# Round 1 and 2 Funding Summary

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Awarded</th>
<th>Units</th>
<th>Property Donation</th>
<th>HOME Contribution</th>
<th>Project Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Be A Helping Hand Foundation</td>
<td>262,942.00</td>
<td>6</td>
<td>N/A</td>
<td>$276,536.42</td>
<td>Three duplex units located at 2104 14th Avenue N, 2106 14th Avenue N and 2129 14th Avenue N. All units are for persons with incomes 30-50% of MFI.</td>
</tr>
<tr>
<td>Woodbine Community Organization</td>
<td>219,052.00</td>
<td>14</td>
<td>N/A</td>
<td>$234,289.00</td>
<td>Two SRO units consisting of 7 units each located at 1013 43rd Avenue N and 3540 14th Avenue N. All units are for persons with incomes at or below 30% of MFI.</td>
</tr>
<tr>
<td>Urban Housing Solutions</td>
<td>1,558,006.00</td>
<td>23</td>
<td>N/A</td>
<td>$805,975.00</td>
<td>A 23 unit apartment complex located at 2121 26th Avenue N. The development will serve persons with incomes in the 30-50% of MFI.</td>
</tr>
<tr>
<td>TOTAL</td>
<td>2,040,000.00</td>
<td>43</td>
<td>N/A</td>
<td>$1,316,800.42</td>
<td>3,356,800.42</td>
</tr>
</tbody>
</table>

**2015 Awards**

<table>
<thead>
<tr>
<th>Name of Organization</th>
<th>Awarded</th>
<th>Units</th>
<th>Property Donation</th>
<th>HOME Contribution</th>
<th>Project Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affordable Housing Resources</td>
<td>560,000.00</td>
<td>24/12/ Chapel, 41 North Hill, 3443 Knight Drive, 2206 24th Avenue North, 1405 Kellow Street, 1407 6th Kellow Street</td>
<td>$0.00</td>
<td>Homebuyer units for persons with incomes at or below 80% MFI</td>
<td></td>
</tr>
<tr>
<td>New Level CDC</td>
<td>335,000.00</td>
<td>5</td>
<td>1911 11th Avenue North, 9 Trimble, 2409 Middle Street, 1632 D. B. Todd</td>
<td>$113,363.00</td>
<td>Homebuyer units for persons with incomes at or below 80% MFI</td>
</tr>
<tr>
<td>Woodbine Community Organization</td>
<td>105,000.00</td>
<td>42</td>
<td>4905 Vistaview, 621 39th Avenue, 520 31st Avenue</td>
<td>$1,209,516.00</td>
<td>SRO units for persons below 30% of MFI</td>
</tr>
<tr>
<td>Habitat for Humanity</td>
<td>0.00</td>
<td>8</td>
<td>None</td>
<td>$215,724.00</td>
<td>Homebuyer units with 1 unit for persons below 30% of MFI, 3 for persons with incomes in the 30-50% of MFI range, 3 persons with incomes in the 50-60% of MFI income range and 1 to persons with incomes in the 60-80% of MFI range.</td>
</tr>
<tr>
<td>TOTAL</td>
<td>560,000.00</td>
<td>61</td>
<td>$1,538,603.00</td>
<td>$2,038,603.00</td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL 2014-2016**

$5,395,403.42
### 2. Barnes Fund for Affordable Housing FY ’17 Proposed Funding Guidelines

<table>
<thead>
<tr>
<th>Funding Category</th>
<th>Description</th>
<th>Potential Applicants/Stakeholders</th>
<th>Anticipated Percent of Approved Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Competitive/Opportunity Grants</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Acquisition/Rehabilitation</td>
<td>Continue <em>existing</em> programming to allow for the production and preservation of rental/homeownership opportunities</td>
<td>Nonprofit Housing Developers</td>
<td>65%</td>
</tr>
<tr>
<td>• Acquisition/New Construction</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Acquisition only</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Rehabilitation only</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Micro Housing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Opportunity Grant Proposals</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Housing Preservation (New Competitive Grant Category)</strong></td>
<td></td>
<td></td>
<td>15%</td>
</tr>
<tr>
<td>• Encourage Repair/Rehabilitation Programs</td>
<td>Provide funding to existing nonprofit organizations providing preservation services</td>
<td>Nonprofit organizations</td>
<td></td>
</tr>
<tr>
<td><strong>Housing Production Support Programs (New Competitive Grant Category)</strong></td>
<td></td>
<td></td>
<td>15%</td>
</tr>
<tr>
<td>• Down Payment Assistance (DPA) Programs</td>
<td>Provide funding for the creation, expansion, and research of new housing programs including community land trusts, land bank exploration, etc.</td>
<td>Nonprofit organizations, Community Development Financial Institutions (CDFIs), Community Land Trusts</td>
<td></td>
</tr>
<tr>
<td>• Long term affordability programs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Creative Financing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Homebuyer Education</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Other ideas (TBD)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Nonprofit Capacity Building &amp; Technical Assistance (New Competitive Grant Category)</strong></td>
<td></td>
<td></td>
<td>3%</td>
</tr>
<tr>
<td>• Nonprofit Capacity Building/Funding</td>
<td>Provide funding for building capacity in nonprofits (operational subsidies/consultants) and/or providing technical assistance opportunities to nonprofits</td>
<td>Nonprofit organizations, consultants, National experts</td>
<td></td>
</tr>
<tr>
<td>• Technical assistance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Barnes Fund for Affordable Housing Administration</strong></td>
<td></td>
<td></td>
<td>2%</td>
</tr>
<tr>
<td>• Tracking, monitoring, and reporting</td>
<td>Providing funding for the administration and management of Barnes Fund and staffing the Metro Affordable Housing Trust Fund Commission</td>
<td>Staffing; contracts</td>
<td></td>
</tr>
</tbody>
</table>
Funding rounds will be coordinated with other funding cycles related to affordable and workforce development programming including the Metropolitan Development and Housing Agency (MDHA) and the Tennessee Housing Development Agency (THDA).

There will be two rounds per year, unless otherwise determined by the Commission. Funding cycles will be determined by July of each year to track with Metro’s funding year.

The Commission may provide a non-competitive pool of funds, outside of the regular grant cycles, for non-profits who are in need of funds and/or land to leverage additional financial resources for the production and/or preservation of affordable housing. The proposals must clearly explain the critical need for the funds outside of the competitive funding cycles. These proposals would be consistent with annual funding preferences and priorities, determined annually.

**Competitive Grants**

Competitive grants funds for the acquisition, rehabilitation, and/or construction of rental and homeownership units countywide. The majority of the funding is directed to persons at or below 60% of median income, with the remaining funds to serve households up to 80% AMI. Nonprofit housing developers will provide applications consistent with the application preferences and priorities, determined annually.

**Housing Preservation**

Nonprofit organizations with a mission of rehabilitation and repair of existing homeowner and rental units are eligible for this category. The purpose of this category is to retain existing residents in affordable housing units. Households at or below 80% of the median income will qualify for the programs. This category is primarily for nonprofit organizations whose mission is to provide direct assistance to households needing rehabilitation and repair for their primary residence or landlords who own scattered site rental units (no more than contiguous 4 units)

**Housing Production Support Programs**

Nonprofit organizations and nonprofit-private partnerships are encouraged to apply for funding in this area to address unmet needs through creative and innovative development, financing, retention and/or preservation of housing stock.

**Nonprofit Capacity Building & Technical Assistance**

Nonprofit organizations will have an opportunity to apply for capacity building assistance ranging from operational support to housing development training. Technical assistance will be provided through the Housing Trust Fund Commission or through applications for assistance related to the expansion or creation of programs for affordable/workforce housing development.
3. Reporting

The Mayor’s Office of Economic Opportunity and Empowerment, with the support of the Department of Finance and the Department of Legal, will provide an annual program progress and performance report to the Commission, the Mayor, and Metro Council no later than April 1 of each year. The report will cover the funded activities from the prior year. Reports will be reviewed in draft by the Housing Trust Fund Commission. The annual report will include, but not be limited to:

- Accomplishments / production for each program, including actual units produced and households assisted compared to goals stated in the original funding application;
- Affordability levels served, actual compared to goals stated in the original funding application;
- Leverage achieved for each program;
- Any additional information that the Housing Trust Fund Commission believes should be included

In addition, staff will provide a mid-year report to the Commission covering the items listed above.

4. Funding Criteria

Project Location

The City encourages the increase of housing options countywide and encourages projects that afford low and moderate income residents the greatest access to transit options, employment opportunities, schools, and services. Location preference points (as applicable to the Commission’s annual priorities) will be given to developments that provide housing options consistent with the following plans:

1. Growth & Preservation concept map (Nashville Next) Tier One centers
2. Within the Promise Zone footprint (see attachment)
3. Within the Urban Zoning Overlay (see attachment)
4. Along a major corridor with transportation options
5. In moderate to high-income areas

The City encourages geographic deconcentration of extremely low-income and low income housing units.

Eligible and Ineligible Activities and Costs

Eligible costs include, but are not limited to:
- Appraisals
- Architectural/engineering fees
- Capitalized Operating Reserves
- Capitalized Replacement Reserves
- Closing costs
- Construction

Eligible costs include, but are not limited to:
- Inspections & Surveys
- Insurance
- Interest
- Option costs
- Permits
- Reimbursement of pre-development costs
Program funds may be used to fund housing units, residential spaces, and common areas to the extent they serve the low-income housing units and not other uses. Examples include:

- Areas for cooking, eating, bathing
- Building Lobby
- Areas for resident use such as television or reading rooms
- Corridors, stairwells, storage areas
- Management and service office space that is accessory to the housing
- Spaces used for on-site social services

5. Project Requirements

Eligible Applicants

Nonprofit agencies and organizations with charitable purposes are eligible for funding. Private nonprofit agencies will be required to submit articles of incorporation and an IRS letter as proof of nonprofit status. An applicant and/or proposed grantee must demonstrate ability and commitment to develop, own, and manage affordable housing. The grantee may have a stated housing mission in its organizational documents, or if not, may partner with an entity that has such mission. The Housing Trust Fund Commission will consider the experience of an applicant’s development team, management team, Executive Director, staff, and Board of Directors (if applicable) to determine if there is sufficient capacity to develop, own and operate housing. Applicants that lack direct experience in these areas may demonstrate capacity by partnering with an entity or entities that provide essential expertise to the project. In these cases, the Commission will evaluate the proposed partnership to ensure it meets the needs of the project and is sustainable for an appropriate length of time. The applicant, proposed grantee, and all Affiliated Entities of each of them (whether or not involved in the proposed project) must be in Good Standing on all existing loans and subsidy contracts administered by the Housing Trust Fund Commission. Good Standing is defined in Section 9, Project Monitoring.

Mixed-use and mixed-income developments

Program funds can be used for projects that combine affordable housing with market-rate housing and/or commercial or other nonresidential spaces. However, costs associated with market-rate housing and commercial spaces are not eligible for Program funding. Common areas and program office space
may be eligible for funding if the Commission determines they will serve residents of the affordable housing development. The developer must show that funds requested for these areas are proportional to the number of Barnes units proposed.

Applicants must demonstrate that Program funding is attributable to eligible residential spaces and that costs of other parts of the project are paid by funds eligible for that purpose. Where it is impractical to segregate costs between Program-funded units and other portions of a mixed-use or mixed-income project, the Commission may permit such costs to be pro-rated between Program funding and other funding sources based on a reasonable formula.

In order to facilitate development of the eligible residential spaces, the Commission may allow Program funds to be disbursed for the full amount of a shared cost item if:

1. Documentation is provided prior to expenditure of Program funds that assures sufficient funding from other sources will be provided prior to project completion equal to the full amount allocable to such space.

**Additional policies**
As a part of the application process, a developer will be required to provide a plan for the following requirements should federal funds be included in the project. Many of these items are federal requirements and any plans provided to other funding sources shall also be provided to the Commission staff.

- Fair Contracting Practices and MWBE Utilization
- Relocation, Displacement and Real Property Acquisition Plan
- Affirmative Marketing Strategy
- Neighborhood Notification and Community Relations Plan

Other policies may be included in the Request for Application that are not listed here.

**6. Construction Requirements**

**Competitive selection of contractors**
Grantees may competitively select their contractors. Grantees may propose a competitive process that clearly meets the City’s requirements as published in each Request for Application. The grantee shall submit a summary of the proposed competitive selection process for the Commission’s approval. The staff of the Commission may require modifications to the process prior to implementation. Contractors will be encouraged to review the Nashville Construction Readiness Partnership (a partnership between the Nashville Career Advancement Center and the Mayor’s Office) in efforts to seek and attain local construction workforce opportunities. Should the non-profit act as the general contractor the construction costs will be reviewed against similar proposals to ensure cost reasonableness.

**Contracting types and project delivery methods**
Grantees may propose to use a Cost Plus a Fee with a Guaranteed Maximum Price, a Stipulated Sum contract, or an alternative contract type that meets the City’s requirement as published in each Request
for Application. The Grantee’s construction contract with the general contractor along with any amendments to the contract shall be submitted to the Commission’s staff.

**Construction management**
If project sponsors do not have sufficient in-house construction management capacity, they will be required to contract for this service. Sponsors proposing to manage their own construction projects must demonstrate capacity to the Commission. Such grantees must have prior experience managing a construction project and have staff available to coordinate necessary work. In addition, the scope of work should appropriately match the sponsor’s construction management experience and staff expertise.

**Wages**
State Residential Prevailing Wage Rates shall be the minimum rates applicable to all projects, unless a higher minimum rate applies or an exception is made as allowed in this paragraph. When federal funds in a project require prevailing wages to be determined under the Davis-Bacon Act, the higher of either the Tennessee Occupational Wage Rates (unless modified as stated below) or Davis-Bacon wage rates will apply to each job classification, unless applicable law requires otherwise. Staff may approve a change in these prevailing wage requirements if necessary to achieve compatibility with a state or federal funding source or to promote inclusion of Program-funded units in mixed income and/or mixed-use buildings. In cases where Davis Bacon wages are triggered, Davis Bacon monitoring procedures are followed as required by HUD, instead of Commission staff monitoring procedures.

**Apprenticeship programs**
Grantees are encouraged to require contractors to participate in State-approved apprenticeship programs.

**Project labor agreements**
Applicants who demonstrate to the Commission satisfaction that use of a project labor agreement would be beneficial for project development may require a project labor agreement.

**Sustainability requirements**
Projects must comply with requirements of the local building codes and Green Ribbon Committee standards.

## 7. Project Selection

**Request for Applications**
At least once per year, the Commission will issue a Request for Application, which will provide application requirements, details on specific fund sources available, application forms, and deadlines. Minor deficiencies may be corrected and clarifications may be made by applicants during the review process. Otherwise, incomplete applications will not be considered for funding. All applicants are required to attend a project pre-application meeting with the Mayor’s Office of Economic Opportunity and Empowerment prior to submitting an application for funding.
Application components

At minimum, applications must be completed using the application forms and documents provided with the Request for Application and its attachments.

Proposal review

Funding applications are reviewed and evaluated in detail by the Barnes Commission staff based on the requirements listed in the Request for Applications and Attachments. The applications will then be scored by the Barnes Review Committee who will make funding recommendations to the Commission. The Review Committee will be determined and appointed by the Commission and be made up of no less than 3 and no more than 5 members. No Review Committee member shall have any direct affiliation with any nonprofit seeking funding.

Interim funding applications will be reviewed separately and must meet minimum need thresholds to receive funding.

Fund reservation

Funding awards require Metro Council approval. With the approval of the Commission, funding proposals will require a resolution to grant funding and properties to proposed nonprofit organizations.

An applicant may request an amendment prior to Council approval for consideration by the Commission. These requests will be sent in writing to the Commission’s staff. Staff will determine if Commission review is required with each request. Minor amendments will be approved by staff and will be reported to the Commission at its monthly meeting. Major amendments, determined by staff, will require Commission review. A substantial project amendment that may require the Commission’s review is when a project’s scope, change in number or type of units, funding, or scoring substantially changes.

The Commission may reduce or revoke funding to any project based on failure to meet funding conditions; decrease in costs from the preliminary cost estimate submitted in the application; failure of the applicant to obtain other funding; noncompliance by the applicant with City policies; determination of inaccuracies in the information submitted; increased costs or other factors affecting feasibility; results of environmental or other reviews; changes in the Good Standing of the applicant, grantee, or Affiliated Entities; or failure to the applicant to agree to funding conditions.

Tenant income and rent requirements

Housing units are restricted to tenants whose income does not exceed 60% of Median Income at time of initial occupancy by the household, or at time of funding by the City, if later. Tenants must be income qualified prior to move in or prior to City funding being used/drawn for those occupied units. Other funds may be used to cover the pro-rata cost of the over income units and the non-profit may be reimbursed for the pro-rata cost once the over income tenant permanently vacates the unit. A maximum restricted Rent is established for each housing unit, no higher than Affordable Rent for the income eligibility category and based on the number of bedrooms.
Consideration will be given with mixed income developments that include rental units at 80% of Median Income.

8. **Project Monitoring**

Grantees must report annually on the status of their projects each year by April 1st, or on an alternative date specified by the Commission upon reasonable advance notice. The Commission’s staff will coordinate the monitoring, site visits and inspections with other funders to help reduce administration time and disturbance to residents. Grantees will submit written reports, which may be consistent with other combined funders’ annual report form.

**Compliance and performance evaluation**

The Commission’s compliance and performance assessments include, but are not limited to, the following compliance and performance areas. The grantee will receive a copy of the Compliance and Performance Evaluation prior to the annual review. Additional, project-specific requirements may be included in loan documents.

1. Sound grantee fiscal health: The project grantee and its general partner, managing member or other sponsor when applicable are in sound fiscal health as documented by the organization most recent audit, 990’s, profit/loss statements, balance sheets, or other fiscal policies.

2. Management Plan: The project is operated according to the owner’s original or amended management plan/documents for the property.

3. Affordability: grantee must be in compliance with affordability requirements including tenant income determinations and rent levels. To ensure the project serves the low to moderate income populations incomes and rents will be reviewed annually.

4. Affirmative marketing and nondiscrimination: The housing must be affirmatively marketed and the grantee can demonstrate nondiscriminatory treatment for all applicants and occupants.

5. Occupancy: The tenant family sizes must be appropriate for the unit sizes and projects designed for particular populations are appropriately serving that population with housing and, if applicable, services.

6. Unit Turnover and Vacancy: Vacant units are turned over quickly and vacancies are minimized.

7. Physical conditions: The property must be maintained in good and tenantable condition and repair that ensures safe, secure and sanitary conditions. The property must comply with Nashville’s Seattle Housing and Building Maintenance Code and Housing Quality Standards. Spaces must be used for their intended purposes (housing units, common areas, storage, accessibility etc.). The project’s sustainable ‘green’ features are maintained and operating as designed.

8. Long term repair and maintenance plan: Long-term replacement needs and capital improvements are adequately planned for and completed on schedule. Preventive maintenance and repairs are completed according to maintenance plan and schedule.
9. Sound project fiscal management: The project is operated according to sound fiscal management practices, and all reserves, taxes, utilities and debt service including any amounts due to the City are paid on schedule and reported as required.

a. Revenue management: The grantee collects rents in a timely manner and in a way that ensures adequate income to the property; ensures compliance with contracts for operating subsidy and rental assistance.

b. Expense management: The grantee manages expenses by re-evaluating and re-procuring goods and services from time to time.

10. Community relations: The housing project is a good neighbor, which is measured by good maintenance, street appearance, and responsiveness to neighborhood concerns and complaints.

**Annual performance letters; actions to resolve Findings**

The Commission will provide performance letters each year to all grantees specific to their projects that have at least one full year of operation. The performance letter will:

1. Summarize the Commission’s review of compliance and performance in the project monitoring areas described above;

2. Identify any instances of major or chronic non-compliance with terms of the grant agreement, subsidy contract or other grant documents (“Findings”);

3. Specify actions required to resolve Findings that must be performed and documented by the grantee by a certain deadline, and/or specify a date by which the grantee must submit a plan to resolve Findings for Commission’s review and approval.

The Commission may accept, accept with conditions, or reject a proposed plan to resolve Findings. If a grantee’s plan includes a proposal for City funding, the grantee must make a significant financial contribution and satisfy all other requirements, as determined by the Good Standing requirements below.

A grantee that disputes a Finding may submit a written protest to the Commission’s staff within 30 days of receipt of the performance letter. A protest must state the reasons why the staff’s determination of Findings was unjustified, provide copies of any supporting documents, and include affidavits or declarations as to any facts rebutting the basis for the staff’s determination that are not established by other supporting documents. The Commission will direct the staff to make a written decision on a protest within 30 days of receipt. That decision shall be the final administrative decision of the City.

**Good Standing**

A grantee is in Good Standing if (a) the grantee has no Findings identified in its most recent performance letter; (b) Commission’s staff determines that the grantee has remedied all Findings in its most recent performance letter; (c) the grantee is diligently pursuing a plan accepted by the Commission or staff to
remedy Findings as promptly as feasible; or (d) the grantee’s timely protest of the Findings is upheld by Commission. The grantee has the responsibility to provide timely documentation to the Commission’s staff to demonstrate that it has remedied Findings, or complied with the terms and conditions of the Commission’s staff accepted plan.

In January of each year, staff will notify grantees that the Commission has determined are not in Good Standing. A notice that a grantee is not in Good Standing shall identify the Findings that the grantee has not demonstrated are remedied, and/or the actions or conditions in the Commission’s accepted plan that the grantee has not diligently pursued or satisfied. Such notice shall also state that the grantee and its Affiliated Entities are ineligible to apply for Program funding until after a determination of Good Standing in the following year.

No determination of Good Standing, or failure to make a Finding, or acceptance of any plan to remedy Findings or actions thereunder, shall constitute a waiver or modification of any terms or requirements of loan documents or any other legal obligations of any grantee or other person, unless expressly so agreed in writing by the Commission. For example, the Commission’s staff may pursue remedies for any default under loan documents even though the default is not considered a Finding.