

<b>PURPOSE</b>	Refinance of healthcare/seniors housing and multifamily properties with existing HUD-insured mortgages.
<b>ELIGIBLE PROPERTIES</b>	All existing HUD-insured properties.
<b>BORROWER</b>	Single asset, special purpose entity. Either for-profit or nonprofit.
<b>MAXIMUM LOAN AMOUNT</b>	<p>The lesser of:</p> <ol style="list-style-type: none"> <li>the original principal amount of the existing HUD-insured mortgage;</li> <li>the outstanding principal balance of the existing HUD-insured mortgage plus the cost of required repairs, improvements, outstanding debt incurred in connection with capital improvements (as approved by HUD), prepayment penalties, and loan closing costs; and</li> <li>1.11x DSCR (1.053x for projects with &gt;90% of units assisted by Project-Based Section 8).</li> </ol> <p><i>* No equity takeout is permitted.</i></p> <p><i>** Other than the above constraints, there are no minimum or maximum loan sizes.</i></p>
<b>TERM &amp; AMORTIZATION</b>	Current remaining term, or in some cases with HUD approval, the term can be extended back to the original mortgage term.
<b>INTEREST RATE</b>	Fixed-rate, subject to market conditions at the time of rate lock.
<b>MORTGAGE INSURANCE PREMIUM</b>	<ul style="list-style-type: none"> <li>0.50% payable at closing, 0.55% annually thereafter;</li> <li>0.25% to 0.45% for affordable and subsidized properties; and</li> <li>0.25% for Green Certified properties.</li> </ul>
<b>RECOURSE</b>	Non-recourse.
<b>ASSUMABILITY</b>	Fully assumable, subject to HUD approval.
<b>PREPAYMENT</b>	Negotiable. Best rates typically have a 1–2-year lockout with a declining prepayment penalty for the remainder of the first 10 years.
<b>THIRD PARTY REPORTS</b>	Project Capital Needs Assessment (PCNA) may be required.
<b>ESCROWS</b>	Escrows for taxes, insurance, and mortgage insurance premiums continue to be required.
<b>REPLACEMENT RESERVES</b>	Initial (net of current balance) and monthly deposits required based on long-term physical needs of property.
<b>HUD APPLICATION FEE</b>	\$1.50 per \$1,000 of requested loan amount.

