

Eligible Properties	Market rate property of any class, cooperatives, affordable housing or subsidized. Construction or any substantial rehabilitation must have been completed at least three years before application to HUD.																		
Commercial Space	Limited to 25% of net rentable area and 20% of effective gross income.																		
Borrower	Single asset, special purpose entity either for profit or non-profit.																		
Recourse	Non-recourse.																		
Interest Rate	Fixed for term of the loan, determined by market conditions at the time of rate lock.																		
Loan Parameters	<table border="1" data-bbox="636 743 1425 1020"> <thead> <tr> <th>Property Type</th> <th>Maximum Loan to Value</th> <th>Minimum Debt Service Coverage</th> <th>Acquisition Loan to Cost</th> <th>Max Cash-Out LTV</th> </tr> </thead> <tbody> <tr> <td>Subsidized<sup>1</sup></td> <td>90%</td> <td>1.11x</td> <td>90%</td> <td rowspan="3">Greater of 100% Cost<sup>4</sup> or 80% LTV</td> </tr> <tr> <td>Affordable<sup>2</sup></td> <td>87%</td> <td>1.15x</td> <td>87%</td> </tr> <tr> <td>Market Rate<sup>3</sup></td> <td>85%</td> <td>1.17x</td> <td>85%</td> </tr> </tbody> </table> <p><sup>1</sup>At Least 90% of the units covered by project-based Section 8 contract.</p> <p><sup>2</sup>Regulatory Agreement with a minimum set -aside (e.g., 40% of units at 60% AMI or 20% of units at 50% AMI) in effect for at least 15 years after the new loan closes. Achievable tax credit rents 10% or more below market.</p> <p><sup>3</sup>Market rate projects with significant rent advantage (achievable tax credit rents 10% or more below market).</p> <p><sup>4</sup>Refinance cost includes satisfaction of existing debt (including penalties), any needed repairs, an initial deposit to capital reserve, due diligence and closing costs.</p>	Property Type	Maximum Loan to Value	Minimum Debt Service Coverage	Acquisition Loan to Cost	Max Cash-Out LTV	Subsidized <sup>1</sup>	90%	1.11x	90%	Greater of 100% Cost <sup>4</sup> or 80% LTV	Affordable <sup>2</sup>	87%	1.15x	87%	Market Rate <sup>3</sup>	85%	1.17x	85%
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Term and Amortization	A maximum of 35 years, fully amortizing																		
Prepayment and Assumption	Negotiable. Standard is a 10-year stepdown prepayment (10% year 1 declining 1% annually until open at Par after year 10). Loan is fully assumable subject to HUD approval.																		
Escrows	Taxes and insurance are escrowed monthly. Replacement reserves required and monthly deposit is to be determined in accordance with HUD guidelines.																		
Mortgage Insurance Premium	Market Rate: 1.0% due to HUD at closing and 0.60% annually thereafter. Broadly Affordable: 0.25% due to HUD at closing and 0.25% annually thereafter. Affordable: 0.35% due to HUD at closing and 0.35% annually thereafter. *All MIP rates are escrowed monthly.																		
HUD Application Fee	30 basis points (\$3 per \$1,000) on requested loan amount (due with submission of firm application to HUD).																		



BMC HOUSING  
ADVISORS LLC  
HUD FINANCING MADE SIMPLE.

FHA/HUD SECTION 223(f)

ACQUISITION OR REFINANCE OF PROPERTIES

Third Party Reports:

Appraisal, Phase I (to include radon, LLBP, asbestos, when applicable) and Physical Needs Assessment are required.