



Eligible Properties	Market rate, affordable or rental assisted properties with existing FHA insured loans.
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	<p>The maximum loan amount is the lesser of:</p> <ul style="list-style-type: none">• Up to 90% of the (a) value, or (b) costs attributed to the repairs, additions, or improvements to the property for for-profit entities and 95% for nonprofit entities.• The amount of debt which when added to the existing debt does not exceed a combined Loan to Value of 90%.• Amount of debt that can be serviced by 90% of NOI after the completion of improvements, less the existing debt service requirements of all debt on the property. <p>Occupancy requirements should not exceed parameters of existing mortgage insurance program.</p> <p>Debt Service coverage of at least 1.11X.</p>
Term and Amortization	A maximum of 40 years, not to exceed 75% of remaining economic life. 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	Escrows are determined by previous mortgage restrictions.
Mortgage Insurance Premium	<p>Typically, an annual mortgage insurance premium of 0.95% of the principal loan amount. Certain projects may qualify for a reduced mortgage insurance premium, which could range from 0.25% to 0.35% if the project meets additional environmental or affordability restrictions.</p> <p>*All MIP rates are escrowed monthly.</p>
HUD Application Fee	30 basis points (\$3 per \$1,000) on requested loan amount (due with submission of firm application to HUD).
Third Party Reports:	Appraisal, Market Study, Architectural and engineering, Seismic, and Phase I (to include radon, LLBP, asbestos, when applicable) are required.