

Long-term, fixed-rate financing for acquisition or refinance of existing multifamily rental communities (minimum 5 units)

LOAN PARAMETERS <sup>(1)</sup>					
Property Type	Maximum Loan to Value	Minimum Debt Service Coverage	Acquisition Loan to Cost	Maximum Cash-Out LTV <sup>(4)</sup>	Statutory Limits
Subsidized <sup>(2)</sup>	90%	1.11x	90%	80%	Per unit limits adjusted by High Cost Factor
Affordable <sup>(3)</sup>	90%	1.11x	90%	80%	
Market Rate	87%	1.15x	87%	80%	

<sup>(1)</sup> Applies to loan sizes up to \$125,000,000. Lending parameters available upon request for loans above \$125,000,000.

<sup>(2)</sup> At least 90% of the units are covered by a project-based Section 8 contract.

<sup>(3)</sup> Regulatory Agreement with 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.

<sup>(4)</sup> Refinanced properties may include 100% of eligible costs plus additional funds up to the cash-out LTV.

### Eligible Properties

Subsidized, affordable, or market rate multifamily properties. Commercial space is limited to 25% of net rentable area and 20% of underwritten effective gross income.

### Eligible Borrowers

Single-asset entity; either for-profit or not-for-profit.

### Loan Term

Fully amortizing; Up to 35-year maximum loan term; Limited to the lesser of 35 years or 75% of estimated useful remaining life.

### Interest Rate

Fixed interest for life of loan; Determined at rate lock based on prevailing market conditions.

### Mortgage Insurance (MIP)

First year: 1.00%  
Thereafter 0.60% annually (affordable, subsidized, and green certified properties eligible for lower MIP of 0.25% to 0.35%).

### Loan Fees

HUD Application fee: 0.30%. (Opportunity Zone Market Rate: 0.20%, Opportunity Zone Affordable 0.10%).

### Prepayment

Prepayment provisions negotiable, generally subject to lockout period and declining penalties.

### Recourse

Non-Recourse and assumable with HUD approval.

### Timing

Six to Seven months from engagement to closing; (1) 45-60 days to submit application, (2) 45-60 days to Firm Commitment, (3) 45-60 days to closing.

### Escrows

Real estate taxes, property insurance, MIP, replacement reserves (minimum \$250 per unit); escrow payments collected monthly.

### Third Party Reports

Appraisal, Environmental, Radon, and Capital Needs Assessment.

### Repairs

Repairs are permitted, subject to regional program limits.

### Construction Takeout

Newly constructed properties require HUD concept meetings and must achieve minimum DSCR for one month prior to application submission.