



HUD 223(A)(7) Loan

Refinance of Existing HUD Loans

Slate Capital is an FHA approved lender specializing in the financing and servicing of multifamily apartment projects, commercial, affordable housing and senior housing properties nationwide. Slate Capital is also an approved Ginnie Mae Issuer.

ELIGIBLE PROPERTIES

Existing HUD-insured healthcare and multifamily properties.

ELIGIBLE BORROWERS

Single-asset, special purpose entities, either for-profit or non-profit.

LOCATION

Nationwide.

LOAN AMOUNT

Existing HUD-insured loan may be increased back up to 100% of the original principal balance (subject to General Loan Parameters).

GENERAL LOAN PARAMETERS

The maximum loan amount is the lesser of:

- The original HUD-insured loan amount.
- The outstanding HUD-insured loan amount plus all closing costs, capital improvements, prepayment penalties, and repairs.
- Minimum DSCR of 1.11x.

INTEREST RATE

Fixed-rate, subject to market conditions at the time of rate lock.

TERM & AMORTIZATION

The term of the existing HUD-insured loan may be extended by up to 12 years (subject to HUD approval) not to exceed the term of the original loan.

LIABILITY

Non-recourse.



MORTGAGE INSURANCE PREMIUM

0.50% at closing, 0.55% annually thereafter.

ASSUMABILITY

Fully assumable, subject to HUD approval.

PREPAYMENT

Typically loans are prohibited from prepayment for the 1st year, then have a 9% penalty declining 1% each year thereafter until 0%. Alternative lockout and prepayment structures are available.

PROFESSIONAL LIABILITY INSURANCE

HUD requires a minimum coverage of \$1 million per occurrence and \$3 million in aggregate. Waivers may be granted in cases where premiums are high and claims history is clean.

OTHER

- Cash-out refinancing is not permitted.
 - PCNA report required for multifamily loans and term extension.
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PRICING

Contact your Slate Capital representative for a price quote.

****Terms outlined above reflect the Program Requirements as of 01/29/16****

Slate Capital is a leading FHA-approved Mortgagee and MAP/LEAN lender and actively provides financing utilizing FHA insurance programs nationwide pursuant to Multifamily Accelerated Processing (MAP) and LEAN underwriting methods.

In its prequalifying review, Slate Capital will attempt to estimate both the loan amount and the fees and costs associated with the transaction. Actual loan amounts and actual fees and expenses may vary from the prequalifying estimates. A prequalifying estimate is not a commitment to make a loan.

Affordable defined as: (a) properties that have a recorded regulatory agreement in effect for at least 15 years after final endorsement, and (b) properties that meet at least the minimum Low Income Housing Tax Credit (LIHTC) restrictions of 20% of units at 50% of the Area Median Income (AMI), or 40% of units at 60% of AMI, with economic rents (i.e. portion paid by tenants) on those units no greater than LIHTC rents (i.e. properties need not use LIHTCs to be considered affordable so long as they comply with (a) and (b)).

Rental assisted defined as: properties that have at least 90% of their units supported by a project based rental assistance contract. The contract or separate agreement must ensure affordability restrictions for a period of 15 years.