

## Harborview Multifamily FHA/HUD Section 223(f) Multifamily Acquisition and Refinance

<b>Eligible Property</b>	Existing Multifamily structures, at least three years old, with market rate, moderate income or subsidized rents. Student housing is allowable, but cash flows cannot assume multiple rents from one unit and rents must be in line with market rate multifamily comparable.												
<b>Commercial Space</b>	Limited to 25% of net rentable area and 20% of effective gross income.												
<b>Borrower</b>	Single asset, special purpose entity, either for profit or non-profit												
<b>Recourse</b>	Non-recourse												
<b>Interest Rate</b>	Fixed for term of loan, determined by market conditions at time of rate lock (Rate lock deposit is 1% and refunded at closing).												
<b>Loan Parameters</b>	<table border="1"> <thead> <tr> <th>Property Type</th> <th>Max LTV/LTC</th> <th>Min DSCR</th> </tr> </thead> <tbody> <tr> <td>Subsidized</td> <td>90%</td> <td>1.11x</td> </tr> <tr> <td>Affordable</td> <td>87%</td> <td>1.15x</td> </tr> <tr> <td>Market Rate</td> <td>85%</td> <td>1.18x</td> </tr> </tbody> </table> <p>Cash out transactions are max 80% LTV</p>	Property Type	Max LTV/LTC	Min DSCR	Subsidized	90%	1.11x	Affordable	87%	1.15x	Market Rate	85%	1.18x
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<b>Term and Amortization</b>	A maximum term of 35, fully amortizing.												
<b>Prepayment and Assumption</b>	Negotiable with best pricing for 10 years of call protection (can be a combination of lockout and/or penalty); loan is fully assumable subject to HUD approval.												
<b>Escrows</b>	a) Taxes and insurance are escrowed monthly; b) Replacement reserve required and the monthly deposit amount determined in accordance with HUD guidelines on a property-specific basis (minimum \$250 per unit per year).												
<b>Mortgage Insurance Premium</b>	1% due to HUD at closing and 0.6% annually thereafter (0.25%-0.35% for affordable and subsidized properties, 0.25% for Energy Star certified properties).												
<b>HUD Application Fee</b>	30 basis points (\$3 per \$1,000) on requested loan amount (due with submission of firm application to HUD).												
<b>Third Party Reports</b>	Appraisal, Phase I, and Physical Needs Assessment are required; a market study may be required for declining markets.												
<b>Timeline</b>	Typical firm application is submitted within 45-60 days of engagement; HUD then has a target of 60 days to issue Firm Commitment; closing normally occurs 30 days thereafter.												