



Streamlined Refinance of Existing HUD-insured Mortgages

FHA 223(a)(7)

Loan Term: Not to exceed term of existing loan; up to remaining term plus 12 years.

Interest Rate: Fixed rate, fully amortizing.

Non-Recourse: Non-recourse.

Assumable: Fully assumable.

Prepayment: 10% year one, then declining 1% per year; and customizable.

Cash Out: Not permissible.

Borrower: A single asset SPE.

Escrows: Escrows required for taxes, insurance, MIP and capital needs replacement reserves (minimum \$250 per unit/ annually).

Third Party Reports: Capital Needs Assessment only if prior report is more than 3 years old.

DSCR/LTV Requirements:

Property Type	Minimum DSCR
Subsidized ¹	1.05
Affordable ²	1.11
Market Rate	1.11

Mortgage Insurance Premium: Market Rate Properties: 0.50% at closing + annually.

Affordable Properties: 0.35%

Broadly Affordable or Green: 0.25%

HUD Application Fee: 0.15%

Maximum Mortgage:

Lesser of

- Original loan amount of existing insured mortgage.
- Existing debt plus transaction cost.
- Applicable minimum debt coverage.

1 90% or more of the units are covered by a project based Section 8 contract for at least 15 years.

2 15+ year regulatory agreement after Final Endorsement with a minimum AMI set aside.