

Loan Amount	\$1,000,000 minimum
Loan Term	Up to 35 years
Amortization	Up to 35 years
Maximum Loan to Value	85%
Fixed Rate	Yes
Eligible Property	Existing multifamily projects at least 3 years old. Detached structures and row houses eligible
Eligible Borrower	Single Asset Entity (for profit or non-profit)
Cash Out	Yes – when 80% of value exceeds transaction costs
Occupancy Requirements	Can be underwritten up to 95% occupancy. Minimum 85% physical occupancy
Debt Service Coverage Ratio	1.18 (85% of Net Operating Income)
Tax and Insurance Escrows	Monthly deposits required.
Rate Lock	Standard 30 day rate lock period following acceptance of firm commitment
Recourse	Non-recourse.
Required Reports	Narrative MAI appraisal, Property Condition Assessment and Phase I
Prepayment	Negotiable but generally five year lockout with declining percentage of principal balance thereafter (5-4-3-2-1)
Assumable	Subject to FHA approval and fees
Good Faith Deposit	0.1% of loan amount (minimum \$5,000)
Expense Escrow	Yes-sufficient to cover expenses and third party report costs
Origination Fee	Up to 3.5% of loan amount
Legal/Closing	Borrower pays Counsel Fee and miscellaneous closing costs
Rehabilitation Qualifications	Repairs cannot exceed \$6,500 per unit (adjusted for local high cost factor), 15% of appraised value or replace more than one building system
Davis Bacon	Not applicable to this program