

Refinance
All Properties with FHA-Insured Mortgages
HUD Section 223(a)(7) Mortgage Insurance Program

Rockport Mortgage Corporation is an FHA-approved Mortgagee and actively provides financing utilizing the FHA insurance programs nationwide.

Purpose: Provides mortgage insurance in connection with the refinance of projects currently insured by FHA. Available for profit motivated or non-profit borrowers and multi-family or healthcare projects.

Eligible Borrowers: Profit motivated, non-profit motivated and public owners are eligible.

Maximum Term: The term of the new mortgage may not exceed the remaining term of the existing mortgage, except in special cases where due to the project feasibility, FHA may extend the new term up to 12 years beyond the term of the original mortgage.

Maximum Loan: The lesser of:

1. The original principal amount of the existing insured mortgage.
2. The unpaid principal balance of the existing insured mortgage plus the cost of required repairs, improvements, outstanding debt incurred in connection with capital improvements (As approved by the HUD field office), prepayment penalties, and loan closing costs;
3. The amount that can be supported by 90% of net operating income (95% if owner is non-profit).

Personal Liability: None.

Prepayment: Negotiable

Finance Fees: Negotiable

FHA Application Fee: 0.3% of the loan amount. At closing, HUD will approve reimbursement up to one-half of the application fee.

Mortgage Insurance Premium: 0.5% of the outstanding loan amount.

Funding: Qualifies for government insured mortgage-backed securities or direct placement or may be used to credit-enhance tax-exempt bonds.

Interest Rate: Subject to market conditions.

Territory: Nationwide.

This Program has the following additional parameters:

1. The Program is available for fully insured mortgages or coinsured mortgages that have been converted to full insurance.
2. Funds to cover repairs and costs of the transaction can be included in the mortgage loan. Outstanding debt incurred in connection with capital improvements already made to the property may also be included in the mortgage loan, subject to FHA approval.

3. The term of the new mortgage may not exceed the remaining term of the existing mortgage though FHA may extend the new term up to 12 years beyond the term of the original mortgage if it is required for project feasibility.
4. Loans insured under 223(a)(7) assume program characteristics of the underlying mortgage insurance program.
5. Processing Section 223(a)(7) applications usually takes 30-45 days.