

Mark Up to Market, Transfer, or Budget: Comparison of Program Features

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	MUM	MUM-T	MUB
Program name	Mark Up to Market	Mark Up to Market Transfer	Mark Up to Budget
Owner eligibility	Only for profit	FP or NP to NP <i>transfer</i>	Only non-profit
Property eligibility (requires an expiring Section 8 contract ¹)	Owner able to go market Local rents 100%+ of FMR ²	Unaffiliated seller/buyer --	-- --
Minimum REAC score	60	--	30
PCNA plus HUD approval of rehab?	No	No	Yes
Section 8 term/ appropriation	5 years/ 1 year	5 or 20 years/ 1 year	5 or 20 years/ 1 year
Post mark-up rent cap	<i>As-is</i> market	<i>As-improved</i> market	<i>As-improved</i> market
Rent cap as percent of FMR	150%	150%	150%
Reduce rents by debt service savings?	Yes	Yes	Yes
Future rent increases	OCAF	OCAF	OCAF with budget appeal
Opportunity to submit updated rent study during 5-year term?	No	Yes	Yes
Cash flow dividend cap	Old ceiling + increase in cash flow from MUM rents	6% of equity or unlimited	6% of equity
Use Agreement term (or extension of current Use)	--	+ 20 years	+ 20 years
Prepayment lock on current HUD loan?	5 years [\$236 or 221d3 only]	--	Already exists

¹ For all programs, expiring Section 8 contracts cannot be Mod Rehab or SRO.

² We understand that HUD is considering lowering the MUM ceiling to 100% of FMR, but to the best of our knowledge, no such proposal has been published.

