ROCKPORT MORTGAGE CORPORATION

HUD Section 223(f)

Multifamily Acquisition or Refinance Loan

This loan program provides non-recourse, fully-amortizing, assumable financing for the purchase or refinance of existing multifamily developments.

Maximum Term

The maximum term is 35 years or 75% of the remaining economic life of the property.

Maximum Loan (with the exception of Large Loans*)

For equity take-out in a refinancing:

	LTV
All Transactions	80%

For refinance with no equity take-out or acquisition:

	LTV	Loan-to-Cost**	DSC
Market-Rate	87%	87%	1.15
Affordable	90%	90%	1.11

Secondary Financing

- Permitted up to cumulative LTV of 92.5% for private financing.
- Unlimited cumulative LTV if public financing.
- Evidenced by surplus cash note.

Other Considerations

- Mortgage Insurance Premium (MIP) is set at 25 basis points for both upfront capitalized and annual premiums.
- Rents based on post-renovated condition.
- Davis-Bacon / prevailing wage rates do not apply.

Personal Liability / Assumable

Non-recourse with limited carve-outs. Can be assumed subject to FHA approval.

Lock-out / Prepayment Structure

Negotiable, but typically 10% in year 1, declining 1% per annum thereafter, until payable at par after the 10th year.

Repairs / Replacements

Limited to $20,406/unit multiplied by the area's High Cost Factor (currently 270%), with a maximum of $55,096/unit.

*The threshold defining a Large Loan is a loan amount of $130 million and greater. HUD has provided specific underwriting guidelines for Large Loans. Please contact Rockport Mortgage for specific terms and guidelines.

**The Loan-to-Cost values are for acquisition transactions. For refinance transactions, the owner may obtain a loan of up to 100% of the total cost to refinance subject to LTV and DSC constraints.

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