

# FHA/HUD Section 223(a)(7)



Providing Experience & Integrity Since 2005

## Refinance of Multifamily Properties with Existing FHA Mortgages

Churchill Stateside Group (CSG) and its wholly owned affiliates serve the multifamily and affordable housing, senior housing and healthcare, and renewable energy industries. CSG sponsors tax credit equity investment funds for institutional investors and provides a variety of construction and permanent financing solutions to developers.

The company's investor and developer clients benefit from an experienced staff, prominent and proactive senior leadership, and attractive debt and equity platforms. CSG has long-standing and successful investment relationships with numerous corporate investors, pension funds, and insurance companies. The company is an approved USDA Rural Development and HUD MAP and LEAN Lender. CSG pursues high quality lending and investment opportunities across the nation.

## TERMS

### Eligible Properties

Existing market rate, mixed income, affordable and subsidized FHA Insured multifamily properties.

### Qualified Borrower

For-profit or non-profit single asset, single purpose entity.

### Repair Amount

May be included in cost to refinance. Up to \$1,500 per unit allowable.

### Loan Amount & Sizing

No minimum or maximum.

### Non-Recourse Guarantees

Non-recourse loan except for standard carve-out.

### Low Fixed Interest Rate

Fixed rate subject to market conditions at time of Rate Lock.

### Term/Amortization

Up to the remaining term of the existing mortgage. HUD may approve 12 years beyond the remaining term if required for project economic viability; Fully amortizing.

### Assumable

Fully assumable, subject to HUD approval.

### Prepayment

Negotiable; typically, a specified lock-out period then declining prepayment for 10 years.

### Third Party Reports

Capital Needs Assessment as applicable.

### Loan Amount & Sizing

Loan amount shall be based on the lesser of the following:

- 100% of the cost to refinance
- The principal balance of the original FHA-insured loan amount
- Minimum 1.05x for projects with >90% assistance, 1.11x for other projects

### Mortgage Insurance Premium

Loan amount shall be based on the lesser of the following:

- 1.00% up front
- 0.25% of loan annually for 90%+ LIHTC and/or Section 8 properties or GREEN
- 0.50% of loan annually for Market rate

