

FHA/HUD Section 231

Long-term, Fixed Rate Construction, and Permanent Financing for Age Restricted Multifamily Properties



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

Market rate, mixed income, affordable and subsidized developments. Other than units designed for the use and occupancy of handicapped persons and their families, all occupants must be age 62 and over.

Qualified Borrower

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

Loan Amount

No Minimum or Maximum.

Non-Recourse Guarantee

Non-recourse loan during construction and permanent loan term.

Low Fixed Interest Rate

Fixed for loan term; locked after firm commitment issuance, prior to construction.

Term/Amortization

40-year permanent loan; Fully amortizing plus construction period with interest only.

Assumable

Fully assumable.

Prepayment

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

Commercial Space

Limited to 25% of net rentable area and 15% of Effective Gross Income.

Operating Reserve

3% of loan amount or four months of OERDS; whichever is greater.

Conversion

"Converts" to permanent financing after cost certification and final Fixed for loan term; locked after Firm Commitment issuance, prior to endorsement.

Mortgage Insurance Premium

For upfront MIP, the applicable MIP for transaction type for each year of construction:

- 0.25% of loan annually for affordable with 90%+ LIHTC and/or Section 8 properties
- 0.25% of loan annually if GREEN
- 0.70% for Market rate

Loan Sizing Criteria	LTC ⁽¹⁾	DSCR	LTV ⁻
Market Rate	85%	1.176	85%
Affordable Housing; Rents 10% below market	87%	1.150	87%
90%+ Rental Assistance or LIHTC	90%	1.110	90%

HUD Statutory Limits, adjusted for high-cost factor: (1) Loan to Replacement Cost. For substantial rehabilitation, includes repairs plus the lesser of "as is" value of property or purchase price. (2) Loan To Value is only applicable for substantial rehabilitation.

**MULTIFAMILY LENDING**

**RENEWABLE ENERGY**

**BOND UNDERWRITING**

**TAX CREDIT SYNDICATION**

**RESIDENTIAL HEALTHCARE FACILITIES**

Conventional, HUD/FHA, USDA RD 538 Lending, Tax Credit Equity, and Investment Capital.
www.CSGfirst.com