

## HUD 223(a)(7) MULTIFAMILY LOAN

Streamlined Refinance for Existing HUD-Insured Mortgages

### PROGRAM SNAPSHOT

A low-cost, expedited HUD-insured refinance designed to improve terms on existing FHA loans. Offers fixed-rate financing with no appraisal required and no equity takeout—ideal for extending term, reducing interest expense, and improving property performance.

### KEY FEATURES

- Refinance of existing HUD-insured loans only
- Fixed-rate, fully amortizing—term can match or extend original
- Minimum 1.111x DSCR (1.053x for non-profit borrowers)
- No equity takeout allowed
- No appraisal or market study required
- Non-recourse and fully assumable, subject to HUD approval
- Fast-tracked underwriting with reduced third-party requirements

### Explore Our Full Suite of Capital Solutions

#### Long-Term, HUD-Insured FHA Loans for

- MULTIFAMILY & AFFORDABLE HOUSING
- SENIOR HOUSING & HEALTHCARE

#### Short-Term, Flexible Bridge Loan Programs

- CORE
- CORE-PLUS
- OPPORTUNISTIC
- PARTICIPATING

# HUD 223 (a)7 Multifamily Loan

<b>PURPOSE</b>	Refinance of an existing hud-insured mortgage
<b>ELIGIBLE PROPERTIES</b>	All existing HUD-insured loans
<b>BORROWER</b>	Single-asset and single-purpose entity, either for-profit or non-profit
<b>MAXIMUM MORTGAGE LIMITS</b>	<p>The maximum loan amount will be the <i>lesser</i> of:</p> <ul style="list-style-type: none"> <li>a. The original principal amount of the existing insured mortgage</li> <li>b. Transaction costs</li> <li>c. 1.111x DSCR (1.053x for non-profit)</li> </ul> <p>*No equity takeout is permitted *Other than the above constraints, there are no minimum or maximum loan sizes</p>
<b>AMORTIZATION &amp; TERM</b>	Current remaining term or in some cases with HUD approval can be extended to original mortgage term
<b>INTEREST RATE</b>	Fixed rate determined by market conditions at the time of rate lock
<b>MORTGAGE INSURANCE PREMIUM</b>	0.25% at Closing; 0.25% Annually – <i>Subject to change by HUD</i>
<b>RECOURSE</b>	Non-recourse
<b>ASSUMABILITY</b>	Fully assumable, subject to HUD approval
<b>PREPAYMENT</b>	Negotiable. Best rates typically have 1-2 year lockout with declining prepayment penalty for remainder of first 10 years.
<b>THIRD-PARTY REPORTS</b>	PCNA required
<b>ESCROWS</b>	Escrows for taxes, insurance and mortgage insurance premium continue to be required
<b>REPLACEMENT RESERVES</b>	Initial (net of current balance) and monthly deposits required based on long-term physical needs
<b>REPAIR ESCROW</b>	Cash or a letter of credit for up to 10% of the estimated cost of repairs
<b>HUD APPLICATION FEE</b>	0.15% of requested loan amount for Section 223(a)7
<b>HUD INSPECTION FEE</b>	There is no HUD inspection fee even if there are deferred non-critical repairs
<b>RATE-LOCK DEPOSIT</b>	Typically 0.5% of mortgage amount, refunded at closing