

Program Overview:	Fixed-rate, fully amortizing mortgage for the acquisition or refinancing of eligible licensed healthcare facilities nationwide.
Eligible Properties:	Licensed Nursing Homes, Assisted Living, Intermediate Care, and Board and Care
Eligibility Requirements:	Continuous protective oversight provided; three meals/day offered; current state license; non-resident day care $\leq 20\%$ of gross area/income; non-licensed independent living units $\leq 25\%$ of total; minimum 3 years since last certificate of occupancy.
Borrower:	For-Profit or Non-Profit single asset borrower entity
Recourse:	Non-recourse
Loan Term & Amortization:	35 years, fully amortizing
Interest Rate:	Determined by market conditions and fixed for the full term of the loan
Commercial Space:	Limited to 20% of net rentable area and 20% of effective gross income
Loan Parameters:	Maximum Loan Amount (lesser of): Refinancing: • 80% of appraised value (85% for non-profits) • Amount supporting a 1.45x minimum DSCR on underwritten NOI • 100% of FHA-allowable transaction costs (90% for non-profits) • 100% of FHA-allowable costs net of grants, public loans, and tax credits Acquisition: • 80% of appraised value (85% for non-profits) • Amount supporting a 1.45x minimum DSCR on underwritten NOI • 85% of FHA-allowable acquisition costs (90% for non-profits) • 100% of FHA-allowable costs net of grants, public loans, and tax credits
Prepayment & Assumption:	Negotiable; best pricing with 10-year call protection (lockout and/or step-down). Fully assumable subject to HUD approval.
HUD Application Fee:	0.3% of the loan amount, due at Firm Application submission
Mortgage Insurance Premium:	1.00% due at closing; 0.65% annually thereafter
Escrows:	Monthly tax and insurance escrow and replacement reserve per HUD guidelines required throughout the loan term
3rd Party Reports:	Appraisal, Phase I Environmental, and Physical Needs Assessment