



St. James Capital, L.L.C.

**Federal Housing Administration
Section 223(f) – Refinancing
M.A.P. – Multifamily Accelerated Processing
T.A.P. – Traditional Accelerated Processing**

<u>Program Description</u>	Fixed rate permanent financing for the acquisition or refinancing of existing apartment communities with at least 3 years of operating history.
Loan Amount:	No Maximum/Minimum
Loan Term/Amortization:	35 Years
Prepayment:	Negotiable, but typically locked for 2 years, then 8%, 7%, 6%, etc. No penalty after 10 years.
Recourse:	Non-recourse
Borrower:	All properties must be owned by a single-asset entity
Determination of Maximum Loan Amount:	The lower of the following: (i) 85% of HUD appraised value; (ii) 1.17 debt service coverage; or (iii) Purchase – 85% of cost to acquire (including estimated repair costs, financing and closing expenses and initial deposit to replacement reserve); Refinance – The greater of (a) the amount of the outstanding indebtedness plus financing, closing expenses, and initial deposit to replacement reserve, or (b) 80% of value.
Subordinate Financing:	Allowed up to the lesser of: (i) 7.5% of value; (ii) 50% of the cash requirements to close.
Occupancy:	No specific occupancy requirements prior to permanent loan funding.
Assumability:	Assumable with permission of lender and HUD.
Reserves:	Tax, insurance, replacement reserve, and mortgage insurance premium escrows are required. Repair escrow may be required, if repairs are not completed and approved by HUD prior to closing.
FHA/Application Fee:	\$3/\$1,000 of mortgage amount.
Lender Origination Fees:	Negotiable based on loan size.
Interest Rate:	Interest Rates are based on market and are set upon acceptance of Commitment and fixed for entire term.

33 Bloomfield Hills Parkway, Suite 125, Bloomfield Hills, Michigan 48304
1-888-594-9911
Phone 248-290-2200 Fax 248-290-2222
www.sjcap.com