

FHA/HUD 232 & 232/223(f)

Mortgages financed under **Section 232** of the National Housing Act are insured by the Federal Housing Administration (FHA) to facilitate construction, substantial rehabilitation, acquisition, and refinance of senior housing, including assisted living facilities, skilled nursing, Alzheimer’s care and board and care facilities. FHA insurance combined with a Ginnie Mae security provides a “AAA” credit enhancement for bonds.

Loan Structure (New Construction or Substantial Rehabilitation)	<ul style="list-style-type: none"> 90% of total replacement costs (95% for non-profit borrowers). 75% of appraised value (80% for non-profit borrowers) for assisted living facilities. 80% of appraised value (85% for non-profit borrowers) for skilled nursing facilities.
Loan Structure (Acquisition or Refinance)	80% of appraised value (85% for non-profit borrowers) for assisted living and skilled nursing facilities.
Loan Term	<ul style="list-style-type: none"> New Construction: up to 40 years, plus construction term. Acquisition/Refinance: up to 35 years, not to exceed 75% of remaining economic life. Fully Amortizing.
DSCR Ratio	1.45x minimum for all transactions.
Interest Rate*	Fixed rate locked at commitment based on market conditions.
Prepayment	Lockout terms may vary (typically 0-year lock with 10% declining).
Guaranty	Non-recourse.
Mortgage Insurance	<p>Applicable mortgage insurance premiums will apply. Please contact your loan officer for more information.</p> <ul style="list-style-type: none"> .77% for new construction/substantial rehabilitation paid at closing for first year, and annually thereafter (.45% affordable) .65% for acquisition/refinance paid at closing for first year, and annually thereafter (.45% affordable)
HUD Exam and Inspection Fees	<p>0.30% FHA Exam Fee (refunded from mortgage proceeds at loan closing)</p> <p>Inspection Fee: greater of 1% of repairs or \$30 per unit (payable out of mortgage proceeds)</p>
Processing Fee	<ul style="list-style-type: none"> Typically \$25,000 for acquisition or refinance - includes cost of third party reports (appraisal, market analysis, environmental and physical needs assessment) and lender due diligence. Typically \$60,000 for new construction or substantial rehabilitation - includes cost of third party reports (appraisal, market analysis, environmental and plan/cost review) and lender due diligence. Borrower responsible for legal fees and standard closing costs.
Financing & Commitment Fees	Competitive and negotiable.

Eligibility

- New construction, substantial rehabilitation, acquisition, or refinance of senior housing and healthcare properties.
- Market rate, LIHTC, bond credit enhancement.

Insurance Needs:

Colliers Insurance Agency Property & Casualty Insurance
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CONTACT

For current rates and terms contact a Colliers Mortgage representative for more information.

Colliers Mortgage Representative: