



# HUD Section 223(a)(7)

Refinance of Multifamily Properties with Existing FHA Mortgages

*This term sheet is provided as an overview and does not include all requirements for this product type.*

<b>ELIGIBLE PROPERTIES</b>	Existing, FHA Insured properties, market-rate, mixed income, affordable and subsidized; May refinance first or second FHA Insured mortgage.
<b>QUALIFIED BORROWER</b>	For-profit or non-profit single asset, single purpose entity.
<b>REPAIR AMOUNT</b>	May be included in cost to refinance. Up to \$1,500 per unit allowable.
<b>LOAN AMOUNT</b>	No minimum or maximum.
<b>GUARANTEES</b>	Non-recourse loan except for standard carve-outs.
<b>INTEREST RATE</b>	Fixed rate subject to market conditions at time of Rate Lock.
<b>TERM / AMORTIZATION</b>	Up to the remaining term of the existing mortgage. HUD may approve 12 years beyond the remaining term if required for project economic viability; Fully amortizing.
<b>ASSUMABLE</b>	Fully assumable, subject to HUD approval
<b>PREPAYMENT</b>	Negotiable; typically, a specified lock-out period then declining prepayment for 10 years.
<b>LOAN SIZING</b>	Loan amount shall be based on the lesser of the following: <ul style="list-style-type: none"><li>• 100% of the cost to refinance</li><li>• The principal balance of the original FHA-insured loan amount</li><li>• Minimum 1.05x for projects with &gt;90% assistance, 1.11x for other projects</li></ul>
<b>CASH OUT</b>	Not allowed
<b>THIRD PARTY REPORTS</b>	Capital Needs Assessment as applicable.
<b>ESCROWS</b>	Taxes, insurance, initial deposit to reserve for replacements, MIP and 10% of non-critical work.
<b>MORTGAGE INSURANCE PREMIUM</b>	1.0% up front 0.25% of loan annually for 90%+ LIHTC and/or 90%+ Section 8 properties or GREEN 0.50% of loan annually for Market rate.
<b>HUD APPLICATION FEE</b>	0.15% of loan amount due at closing.
<b>INSPECTION FEE</b>	No inspection fee.
<b>FINANCE PLACEMENT FEE</b>	Up to 2.0% for loans over \$2 million payable at closing. Up to \$40,000 for loans less than \$2 million, payable at closing.
<b>RATE LOCK DEPOSIT</b>	Up to 1.0% of loan amount due at rate lock, refunded upon acceptance of loan by GNMA investor.



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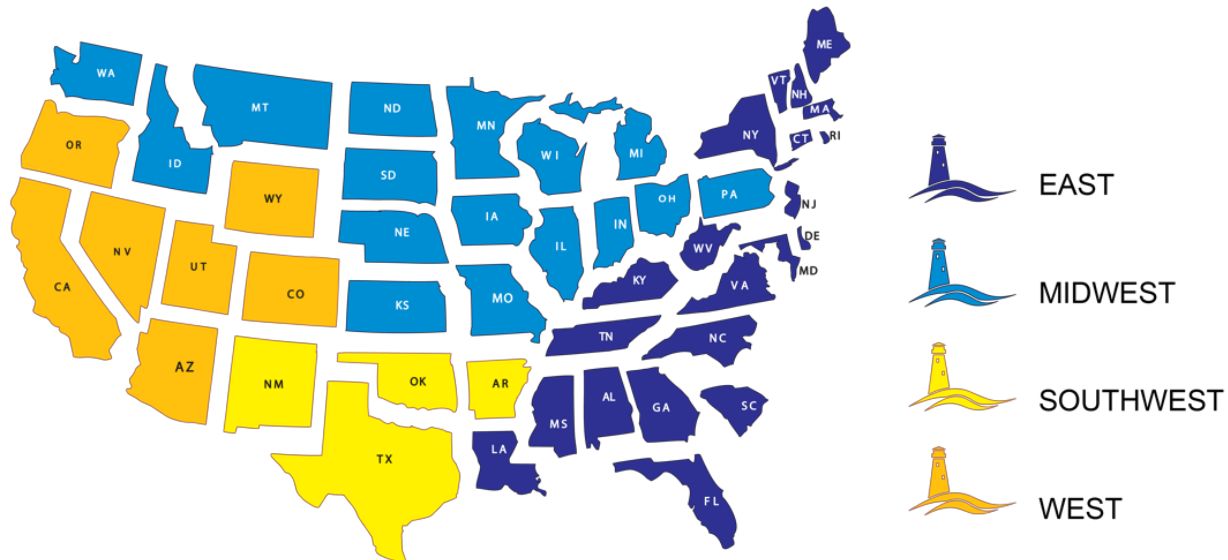
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## ABOUT CSG

### Experience & Integrity

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.



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