

MULTIFAMILY LENDING

FHA/HUD Section 223(f)

REPRESENTATIVE TERMS	
Eligibility:	<ul style="list-style-type: none"> • Acquisition or refinance of apartment properties • Borrower must be a single asset owner (corporation, general partnership, limited partnership or limited liability company)
Property Types	Apartments (garden, townhouse, mid-rise and high-rise).
Program Description	Refinancing and acquisition financing for properties that have a minimum of three (3) years of operating history. Minor rehabilitation and retail/commercial space permitted. Retail/Commercial space cannot exceed 20% of EGI or 25% of net rentable space.
Program Name	223(f).
Location	United States, U.S. Virgin Islands, Puerto Rico and Guam.
Loan Amount	Program has no minimums.
Interest Rate	Fixed, determined by market conditions at time of rate lock.
Recourse	Non-recourse except for fraud.
Loan Term	Up to 35 years (fully amortizing).
Assumable	Yes (0.05% assumption fee payable to HUD).
Prepayment	Negotiable.
Maximum Mortgage	<p>Refinance: Least of: 1) 85% of value; 2) 1.176 Debt Coverage; 3) statutory mortgage limits; 4) Greater of: a) 100% cost or b) 80% of value; large loans (more than \$75 million) may differ.</p> <p>Acquisition: Least of: 1) 85% of value; 2) 1.176 Debt Coverage; 3) statutory mortgage limits; 4) 85% of cost; large loans (more than \$75 million) may differ.</p> <p><i>No change in criteria for non-profit ownership.</i></p>
Equity Take-outs	Permitted up to 80% of value.
Subordinate Debt	Secondary loan permitted to the extent that the aggregate amount of the insured first and the second loan do not exceed 92.5% of value. Payments on second restricted to surplus cash.

ABOUT US

M&T Realty Capital Corporation is a full-service mortgage banking company that specializes in providing competitive financing nationwide for commercial properties, including multifamily, healthcare facilities, office, industrial, retail, and student, senior, and military housing.

As a wholly-owned subsidiary of M&T Bank – one of the 20 largest US headquartered commercial bank holding companies – we have direct access to commercial/multifamily mortgage capital markets, and are a fully accredited Fannie Mae DUS® lender, a Freddie Mac Multifamily Approved Seller/ Servicer for Conventional Loans, and an approved FHA MAP and LEAN lender.

For more information contact:

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REPRESENTATIVE TERMS (CONTINUED)	
Agency Fees	<ul style="list-style-type: none"> • FHA Application Fee: 0.30%. • FHA Inspection Fee: \$30 per unit if repairs less than \$3,000 per unit. For repairs in excess of \$3,000 per unit, inspection fee increased to 1.00% of cost of repairs. • Mortgage Insurance Premium (MIP): 1.00% at closing, 0.60% annually thereafter. Potential reductions available for Green Certification.
Other Requirements	<ul style="list-style-type: none"> • Application: Environmental Assessment; Mechanical/Engineering Report; Appraisal. • Post-Closing: Audited statements; Tax, Insurance, MIP and Replacement Reserve escrows required; surplus cash distributions limited to 2 times per year.
Green Certification Incentive	MIP reduction to 0.25% if a) an energy audit is performed on a property, and b) energy improvements are implemented to achieve an Energy Star Benchmarking Score of 75 or greater and Green Certification. All reductions are subject to HUD approval.
Commercial Space	Not to exceed 25% of total net rentable area and 20% of effective gross income.
Repairs	Limited to two systems, or total rehabilitation not to exceed \$15,000 per unit multiplied by the geographic high cost factor.

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