

Rockhall Funding Corp.

Apartment New Construction /Substantial Rehab FHA Insurance Program Section 221(d)4

Rockhall Funding Corp. is an FHA-approved Mortgagee, MAP and LEAN Lender that provides FHA financing programs nationwide. Rockhall is a GNMA issuer and services the mortgages it originates.

Purpose	Provides mortgage insurance for new construction and substantial rehabilitation for apartment complexes.
Maximum Term	40 years plus a construction period
Maximum Loan	The lesser of: <ol style="list-style-type: none">1. The amount supported by 83.3%, 87% or 90% of the NOI for market rate, affordable, or rental assisted properties, respectively.2. 83.3%, 87% or 90% of replacement cost for market rate, affordable, or rental assisted properties, respectively.3. Statutory per unit limits (FHA statutory loan limits are subject to adjustment based on the location of the project. Contact us for a determination of the loan limits that would apply to your project).
Occupancy	Maximum underwritten physical occupancy of 93% for market rate properties and 95% for rental assisted properties.
Commercial Space	No more than 10% of gross floor area and no more than 15% of gross rents can be from commercial space.
Personal Liability	Non-recourse for monetary default
FHA App Fee	0.3% of the loan amount. (0.15% due at pre-application, 0.15% due at firm application.)
FHA Inspection Fees	0.5% of loan amount due at closing
Rockhall Fee	Negotiable
MIP	Currently 0.45% per year.
Prepayment	Typically locked out for 3 years then pre-payable year 4 at 107% of par and declining 1% per year. More prepayment flexibility can be obtained at a higher note interest rate

Interest Rate

Interest rates change daily. Please call for quote.

Eligible Borrowers

For-profit individuals and entities and not-for-profit single asset entities

The program has the following additional features:

- Applications must be submitted under two stage processing. (Pre-application/Firm-application)
- Cost certification audit is required upon completion of construction
- Pre-review normally required by HUD
- Davis Bacon prevailing wage requirements apply
- A bonded general contractor normally is required
- Operating deficit and working capital reserves are required
- Required escrows for property taxes, insurance, and replacement reserves once property is operational
- Annual audit of operations is required

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Rockhall correspondents are commercial mortgage finance experts who fully understand the processing requirements of this FHA program. You will not have a higher fee or higher rate if you go through a Rockhall correspondent. Rockhall pays the correspondent. The correspondent will work with you to assemble necessary transaction documentation and ensure that your deal is processed as quickly as possible with the best terms for you. Although you are not required to work through one of our correspondents we strongly recommend that you do.

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