

Rockhall Funding Corp.

**Apartment New Construction /Substantial Rehab
(Non-Profit Borrowers)
FHA Insurance Program
Section 221(d)3**

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 rehabilitations of multifamily projects, with nonprofit sponsorship.
Maximum Term:	40 years after the construction period not to exceed 75% of remaining economic life
Maximum Loan:	The lesser of: <ol style="list-style-type: none">1. The amount supported by 90% of the NOI2. FHA Statutory per unit mortgage 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)3. 95% of mortgagable costs less grants, public loans, and tax credits
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:	None. Non-recourse for monetary default
FHA App Fee:	0.3% of the loan amount
FHA Inspection Fees:	0.5% of loan amount
Rockhall Fee:	Negotiable
MIP:	Currently 0.45% per annum with construction period MIP included in the loan budget.
Funding:	Qualifies for Ginnie Mae, credit enhancement for tax-exempt bonds
Prepayment:	Typically closed for 5 years then prepayable year 6 at 105 declining 1% per year. Shorter lock-outs are obtainable at a higher note interest rate

Interest Rate: Market rates change daily. Call for quote.

Eligible Borrowers: Non-profit single asset entities

The program has the following additional features:

- Cost certification is required
- Pre-review is normally required by HUD
- Davis Bacon prevailing wage requirement apply
- A bonded general contractor is normally required
- A replacement reserve will be funded at closing capitalized in the loan amount
- Operating deficit and working capital reserves are required
- Required escrows for property taxes, insurance, and replacement reserve fund
- Annual audit of operations is required
- Under MAP processing the application process is accelerated
- Second mortgages are not allowed. Soft seconds and stock pledge financing are allowed if properly structured.

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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 aren't required to work through one of our correspondents we recommend that you do.

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