



ROCKHALL FUNDING

People Backed Lending

Streamlined Refinance of FHA-Insured Multifamily Projects FHA Insurance Program Section 223(a)(7)

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 streamlined mortgage insurance processing for the refinance of properties currently insured by FHA.
Benefits:	Reduce debt service cost while generating proceeds for needed project repairs.
Maximum Term:	Not more than 12 years beyond the term of the FHA mortgage to be prepaid.
Maximum Loan:	The lesser of: <ol style="list-style-type: none">1. The amount supported by 95% of the NOI (1.05 DSCR) for projects with greater than 90% rental assistance and 90% of NOI (1.11 DSCR) for all other projects2. The original principal amount of the FHA loan to be repaid.3. The total cost of refinancing including existing debt, required repairs, transaction costs including prepayment penalties. (no cash out)
Personal Liability:	Non-recourse for monetary default so long as borrower has complied with the regulatory agreement that is executed at closing.
FHA Application Fee:	0.15% of the loan amount due at application.
FHA Inspection Fee:	None
Mortgage insurance	<ol style="list-style-type: none">1. 0.25% at closing and 0.25% annually for projects with at least 90% project-based rental assistance, at least 90% LIHTC or projects meeting Green Standard2. 0.35% at closing and 0.35% annually for projects with 10%-90% LIHTC or project-based rental assistance.3. 0.50% closing at 0.50% annually for market rate projects.
Replacement Reserves:	Annual deposits in the amount equivalent to the greater of \$250 per unit per annum or the amount identified in the Project Capital Needs Assessment (PCNA)

- Repairs:** Critical and non-critical repairs will be identified by the PCNA and may be financed in the transaction so long as loan amount does not exceed original loan amount of mortgage being refinanced.
- Prepayment:** Typically closed for two years then open to repayment at 108% in year 3, declining 1% per year. Other variations are available based upon market conditions and borrower preference.
- Interest Rate:** Market interest rates change daily. Contact us for a quote.
- Timing:** Processing generally takes approximately 2-4 months (subject to deal specifics)

The Program has the following additional features:

- Davis-Bacon prevailing wage requirements do not apply to any repairs
- Loan funds may be used to increase the existing replacement reserve if it is inadequate.
- Loan proceeds may be used to fund minor repairs and all transaction costs
- A new appraisal, market study or Phase I Environmental report are not required as part of the new application
- A PCNA is required. A new PCNA will be required every 10 years.