ROCKHALL FUNDING
People Backed Lending

New Construction or Substantial Rehabilitation of Market Rate, Affordable and Subsidized Multifamily Projects FHA Insurance Program Section 221(d)(4)

Eligible Properties: New construction or sub-rehab of market rate, affordable or subsidized multifamily and mixed use properties with 5 or more units, nationwide

Borrower: Single asset, special purpose entity; for-profit or non-profit

Commercial Space: Up to 25% of net rentable area and 15% of Effective Gross Income

Term: Construction period and pp to 40 years based on 75% of remaining useful life

Interest Rate and Amortization: Fixed rate, fully amortizing over term

Personal Liability: Non-recourse subject to fraud and misrepresentation carve-outs

Max Loan Amount: The least of:

1. Loan to Replacement Costs (LTC)
2. Debt service coverage ratio
3. Statutory mortgage limit
4. Sub-Rehab Acquisition: Cost of Rehab + lesser of (a) acquisition costs, or, (b) As Is Value

Factors:	Max LTC	Minimum DSCR	Minimum Vacancy
Mrkt < $75M	85%	1.176	7%
Mrkt $75M+	75%	1.30	7%
Afford < $75M	87%	1.15	5%
Afford $75M+	80%	1.25	5%
Subsidized	90%	1.11	3%

Fees:	Market Rate	Green	Affordable	Subsidized
Annual MIP	0.65%	0.25%	0.35%	0.25%
HUD Inspection Fee	0.50%			
HUD Exam Fee	0.30%			

Developer Fee: (1) BSPRA – for-profit developers; 10% of hard & soft costs, excluding land
(2) SPRA – If Developer and GC have Identity of Interest; 10% of soft costs
(3) Developer Fee – for non-profit not using BSPRA or SPRA

Davis-Bacon wages apply

Third Party Reports: Market Study, Appraisal, Phase I, Arch & Cost Review
Sub-Rehab: CNA and if needed: Utility consumption, Radon, Asbestos & Lead Based Paint

Escrows: (1) Working Capital (4% of loan); (2) Initial Operating Deficit (6-12 months)
(3) Taxes and insurances; (4) Replacement reserves

Assumability: FHA mortgage is assumable, subject to Lender and HUD approval

Prepayment: Flexible, based on market conditions

Secondary Financing: Allowable, subject to FHA criteria