

# FHA HUD SECTION 232/223(f)

## ACQUISITION AND REFINANCING OF HEALTHCARE PROPERTIES

Our FHA HUD SECTION 232/223(f) is specifically designed for the acquisition or refinance of Healthcare properties. It offers flexible terms for a variety of property types — Licensed Nursing Homes, Assisted Living | Memory Care, Intermediate Care and Board and Care, and up to 25% non-licensed independent living units.

<b>TERMS</b>	A maximum term of 35 years
	<ul style="list-style-type: none"> <li>• Single Asset</li> <li>• Special Purpose Entity</li> <li>• For Profit</li> <li>• Non-Profit</li> </ul>
<b>INTEREST RATE</b>	Fixed for term of loan, determined by market conditions at time of rate lock
<b>RECOURSE</b>	Non-recourse
<b>REPAIRS &amp; IMPROVEMENTS</b>	Up to 15% of the project's value after completion of all repairs and improvements; All critical repairs must be completed prior to closing; All non-critical repairs must be completed within 12 months of closing
<b>PREPAYMENT &amp; ASSUMPTION</b>	Negotiable with the best pricing for 10 years of call protection (can be a combination of lockout and/or penalty); Loan is fully assumable subject to HUD approval
<b>ESCROW</b>	Taxes and insurance are escrowed monthly. Replacement reserve required and the monthly deposit amount determined in accordance with HUD guidelines
<b>MORTGAGE INSURANCE PREMIUM</b>	The annual MIP is currently 0.65% of the outstanding loan amount. The first year MIP is due at closing and is 1.0% of the loan amount
<b>HUD APPLICATION FEE</b>	0.30% of estimate loan amount due with submission of application (0.20% for properties located in a qualified Opportunity Zone)
<b>THIRD PARTY REPORTS</b>	Appraisal, Environmental and Capital Needs Assessment
<b>TIMELINE</b>	Call VIUM Capital, LLC to get a current estimate on FHA 232/223(f) processing timing

### ELIGIBLE PROPERTIES

- Licensed Nursing Homes
- Assisted Living | Memory Care
- Intermediate Care and Board and Care
- Up to 25% non-licensed independent living units

### LOAN PARAMETERS

Refinancing: The lesser of:

- 80% of fair market value (85% for non-profits)
- Amount that results in a debt service coverage ratio of 1.45x based on the underwritten Net Operating Income
- 100% of FHA's allowable transaction costs

Acquisition: The lesser of:

- 80% of fair market value (85% for non-profits)
- Amount that results in a debt service coverage ratio of 1.45x based on the underwritten Net Operating Income
- 85% of FHA's allowable acquisition costs (90% for non-profits)