

## FHA/HUD Section 223(a)(7)

Refinancing of Properties with Existing HUD Insured Debt

Eligible Properties	All properties that currently have HUD insured debt
Loan Amount	Loan may be increased to original principal balance when first insured; no equity takeout is permitted under section 223(a)(7)
Interest Rate	Fixed for term of loan, determined by market conditions at time of rate lock (Rate lock deposit is 1.00% and refunded at closing)
Loan Conditions	Loan must meet a minimum of 1.11 times debt service coverage ratio (DSCR); Non-recourse
Term and Amortization	Shorter of: remaining term plus 12 years or original mortgage terms
Prepayment & Assumption	10-year step-down penalty (10,9,8,7,6,5,4,3,2,1); Loan is fully assumable subject to HUD approval
Annual Mortgage Insurance Premium	Market RateGreen Certified10-90% Affordable90% AffordableHealthcare0.50%0.25%0.35%0.25%0.55%
HUD Application Fee	Multifamily: 15 basis points (0.15%) on requested loan amount, which will be credited back at closing Healthcare: 15 basis points (0.15%) on requested loan amount. Half will be credited back at closing; the other half will be refunded 1-2 months after closing
Third Party Reports	Not applicable (unless a new PCNA report is required)
Timeline	Firm Application is typically submitted within 15-30 days of engagement. HUD typically issues a Firm Commitment within 30-45 days. Closing typically occurs within 30-45 days of the Commitment being issued  Engagement to Closing: 2-4 months

This term sheet sets out general guidelines and is designed as an aid to prospective borrowers and other clients. This term sheet does not represent or imply a contract or an offer to lend funds. An offer to lend funds may only be made by a signed written commitment letter to a prospective borrower. This term sheet is subject to change at any time without notice at the sole discretion of Dwight Capital LLC. Credit and collateral are subject to approval. Terms and conditions apply. This is not a commitment to lend. As a capital provider, Dwight Capital LLC is not a registered investment adviser and does not otherwise provide investment advice.