

HUD 207m

Manufactured Home Parks

Eligible Properties:	New construction of mobile home parks Substantial rehabilitation of mobile home parks based on HUD's rehabilitation standards
Borrower:	Single asset entity
Recourse:	Fully non-recourse during both construction and permanent phases of financing
Loan Amount:	No limits
Maximum Mortgage Limits:	For New Construction, the lesser of: <ul style="list-style-type: none">• 90% of the estimated value of the property after construction of improvements• 1.11 DSCR• HUD statutory per unit limits For Rehabilitation: <ul style="list-style-type: none">• Property subject to existing mortgage• The estimated cost of repair and rehabilitation; plus the lesser of:<ul style="list-style-type: none">• The outstanding indebtedness secured by the property or,• The estimated fair market "as is" value of the property prior to rehabilitation. Property to be acquired <ul style="list-style-type: none">• 90% of the estimated cost of repair or rehabilitation, plus 90% of the lesser of:<ul style="list-style-type: none">• The actual purchase price of the property or,• The estimated fair market "as is" value of the property prior to repair or rehabilitation
Interest Rate:	Interest only during construction phase, amortization during perm
Amortization and Term:	Maximum of 40 years or 75% of remaining economic life
Escrows:	Escrows for taxes, insurance, replacement reserves and mortgage insurance premium are required
Mortgage Insurance Premium:	.45% each year during construction .45% annually
Federal Labor Standards:	Federal prevailing wage and reporting requirements
Secondary Financing:	Permitted under certain conditions at closing
Assurance of Completion:	Payment and performance bond or cash deposit/LOC
Fees:	Fees negotiable
HUD Exam Fee:	\$3 per \$1,000 of requested mortgage
HUD Inspection Fee:	\$5 per \$1,000 of requested mortgage
Good Faith Deposit:	\$5,000
Application Fee:	\$1 per \$1,000 of requested mortgage
Third Party Expense Deposit:	Estimated at \$30,000 for market study, appraisal, AEC Review and Phase 1
Closing:	One closing for both loans - Construction and Permanent
Assumability:	Fully assumable
Credit Enhancements:	Can be used as credit enhancement for tax-exempt bonds and low income tax credits