

Multifamily Housing New Construction or Substantial Rehabilitation HUD Section 221(d)(4)



Eligibility

- Mortgagor entity may be either for-profit or not-for-profit.

Features

- This is a non-recourse loan.
- Long loan term - up to 40 years in addition to the construction period, fully-amortizing.
- Low, fixed interest rates.
- High loan-to-cost ratio up to 90% for rental assistance; 87% for affordable; and 85% for market projects.
- Most affirmative and negative loan covenants typically found in conventional loan agreements are eliminated.
- Converts to permanent financing upon completion (no occupancy requirements) at no extra cost.
- No low-income tenancy requirements.
- Fully assumable, subject to HUD and CMI approval.
- Can be used as a credit enhancement for tax exempt bonds.
- Debt service coverage ratio of 1.11 for rental assistance; 1.15 for affordable; and 1.18 for market rate projects.
- FF&E may be included as a mortgageable project cost.

Privately held, Centennial Mortgage is strategically integrated to expertly maneuver through HUD/FHA/USDA requirements. We collaborate to pilot your project through the intricate process. We drive to close then service every loan, delivering continuity, stewardship and peace of mind. Our experience is unmatched - we have one of the highest loan approval rates as we advocate tirelessly to make each loan happen.

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