

# NURSING HOME, ASSISTED LIVING & BOARD AND CARE FACILITIES - New Construction or Substantial Rehabilitation - HUD Section 232



## 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.
- Loan-to-value ratio – Skilled Nursing Facility (SNF) - up to 80% for a for-profit enterprise, inclusive of major movable equipment, (85% for a not-for-profit) for both New Construction and Sub-Rehab.
- Loan-to-value ratio – Assisted Living Facility (ALF) - up to 75% for a for-profit enterprise inclusive of major moveable equipment, (80% for a not-for-profit) for New Construction and 80% for a for-profit enterprise (85% not-for-profit) for a Sub-Rehab.
- Most affirmative and negative loan covenants typically found in conventional loan agreements are eliminated.
- Converts to permanent financing upon completion at no extra cost.
- Fully assumable, subject to CMI and HUD approval.
- Can be used as a credit enhancement for tax exempt bonds.
- Debt Service Coverage of 1.45.

## Eligibility

- Mortgagor entity may be either for-profit or not-for-profit.
- Board and care facilities:
  - Must have at least one full private bath for every four residents,
  - Must have a central dining area and kitchen, with appropriate recreational facilities, and
  - Must not charge founder's, life care or similar fees.
- Assisted living facilities:
  - Residents must require assistance with at least 3 activities of daily living,
  - Must provide central dining, kitchen, lounge, etc.
  - Must offer three (3) meals a day.

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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