

New Construction, Sub-Rehab, Conversion HUD Section 213



Features

- 40-year loan term plus the construction period not to exceed 75% of the remaining useful life.
- Debt Coverage ratio of 1.00 of net operating income.
- 98% Loan to Cost (development costs plus as-is value).
- Loan is subject to statutory limits as published in Federal Register under Section 213
- The loan is non-recourse.
- Low fixed interest rates, fully amortizing.
- FF&E may be included as a mortgageable project cost.
- Developer fee and marketing costs are mortgageable project costs.

Eligibility

- New Construction cooperatives using the management style, pre-sale model are eligible where the cooperative corporation is formed up-front and development agent develops the property on behalf of the cooperative.
- Cooperative shares are pre-sold to resident members.
- Investor model and non-profit model may be used with HUD approval.
- Age restricted cooperatives are eligible provided the primary occupant is age 62 years or older.
- Conversion of existing multifamily properties to cooperative ownership is eligible under this program.
- Davis-Bacon guidelines are applicable to this program.
- 213 is not eligible for accelerated processing.
- Sponsor/Development Agent must guarantee carrying charges on any unsold shares for 5 years.

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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