

# ACUTE CARE HOSPITALS Refinance and Acquisition HUD Section 242/223(f)



## Features

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- This is a non-recourse loan.
- Long loan term - up to 25 years, fully amortizing.
- Low, fixed interest rates.
- Most affirmative and negative loan covenants typically found in conventional loan agreements are eliminated.
- The Loan is assumable subject to CMI and HUD's approval.
- Non-profit hospitals can utilize mortgage insurance as a credit enhancement to issue tax exempt bonds. Depending on market conditions, a commercial bond insurer may be utilized to achieve an "AAA" bond rating. Of note, non-profit organizations may elect to issue taxable notes in conjunction with GNMA mortgage insurance to achieve the equivalent of an "AAA" bond rating.
- For-profit hospitals can utilize mortgage insurance in conjunction with GNMA mortgage insurance to issue collateralized securities.

## Eligibility

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- Mortgagor entity may be either for-profit or not-for-profit.
- Allows for minor rehabilitation up to approximately \$40,000/unit, including specific capital improvements, modernization, utility conversion or other value enhancement.
- For acute care hospitals, no more than 50% of total inpatient days during any 1 year may be assignable to chronic convalescence and rest, drug and alcohol, epileptic, nervous and mental, mentally deficient and tuberculosis care.

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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