

Refinance of an Existing FHA Multifamily Insured Loan

FHA Mortgage Insurance Section 223(a)(7)



Overview

Centrant Community Capital is pleased to offer borrowers access to various HUD insurance programs through a strategic partnership with X-Caliber Capital (XCC) a privately-owned, nationally-recognized FHA and GNMA approved lender and servicer.

With a combined lending history exceeding fifty years, Centrant and XCC share a common goal of providing borrowers with an exceptional, responsive and personalized loan application, approval and closing experience.

Application and Review Process

Centrant Community Capital will coordinate with the borrower and its sponsors to collect the necessary documentation identified and required by XCC for underwriting in accordance with FHA guidelines.

With assistance from Centrant staff, XCC will underwrite and prepare the FHA mortgage insurance application for the proposed Project Loan as outlined in its Engagement Letter. Approved loans will be closed and serviced by XCC.

Eligible Properties	Only available for properties with existing FHA multifamily insured loans.
Interest Rate	Fixed rate; determined by market conditions.
Borrower	For-profit or not-for-profit single asset entity
Personal Liability	Non-recourse, subject to standard carve-outs
Maximum Loan	The lesser of: 1) The original principal balance; 2) Existing indebtedness plus transaction costs; or 3) 1.05x–1.11x debt service coverage, depending on deal.
Term and Amortization	Maximum of 12 years beyond in-place financing term; fully amortizing
Prepayment and Assumption	Flexible; best execution typically has a combination of lockout and prepayment penalty for ten years; loan is fully assumable subject to HUD approval.
Mortgage Insurance Premium	0.25% to 0.50% due at closing and 0.25% to 0.50% annually thereafter.
HUD Application Fee	0.15% of requested loan amount due with submission of application
Replacement Reserves	Minimum \$250 per unit per year, or as identified by a Project Capital Needs Assessment (PCNA). Existing Reserve for Replacements will be transferred, and loan proceeds may be used for additional deposits.
Third Party Reports	PCNA is required unless completed within the last five years.
Timeline	Firm commitment issued 30 calendar days after HUD's receipt of complete application. Closing one month thereafter.