



HUD Interest Rate Reduction

Multifamily IRR

This program allows for an interest rate reduction for existing HUD-insured multifamily properties.

ELIGIBLE PROPERTIES

- Multifamily properties with existing FHA-insured loans underwritten by Forbright Bank.

LOAN AMOUNT

- Loan amount remains equal to the unpaid principal balance of the existing mortgage as of the closing of the modification.

MINIMUM DSCR

- Minimum debt service coverage of 1.05x.

TERM/MATURITY DATE

- Unchanged from existing mortgage.

INTEREST RATE / PREPAYMENT

- Fixed for remaining term of loan; locked at receipt of HUD approval; based on market conditions at time of rate lock.
- Prepayment based on lockout and penalty provisions associated with rate lock for 10 years of call protection (can be a combination of lockout and/or penalty).

THIRD PARTY REPORTS

- None

LENDER FEES

- Lender's attorney's fees and any prepayment penalties on current loan may be paid from loan sale premium. Borrower's attorney's fees and cost of title policy update must be paid by Borrower at closing.

APPLICATION FEE

- None

For more information please contact:

Jon Camps
Forbright Bank
Managing Director, HUD Lending
202.321.0245
jcamp@forbrightbank.com