



FHA Mortgage Insurance Programs Section 207 Manufactured Home Park Program

Red Mortgage Capital, LLC is a leading FHA-approved Mortgagee and MAP/LEAN lender and actively provides financing utilizing FHA insurance programs nationwide pursuant to Multifamily Accelerated Processing (MAP) and LEAN underwriting methods.

Program Purpose: To assist in financing the construction or substantial rehabilitation of mobile home communities.

Eligible Borrower: Profit motivated, non-profit motivated, and public owners are eligible.

Maximum Term: 40 years, not to exceed 75% of remaining economic life.

Maximum Loan: The loan amount may not exceed the lesser of:

1. \$20,065 per space (as defined by the Assistant Secretary for Housing – Federal Housing Commissioner). The Secretary is authorized to increase this limit up to 240% in any geographical area where cost levels so require.
2. 90% of the estimated value of the property after improvements are completed
3. Amount debt serviced by 90% of the estimated NOI

With regard to a **Substantial Rehabilitation** the following limitations will apply in addition to those set forth above:

4. **For Property Held in Fee:** If no part of the proceeds is to be used to finance the purchase of the land or structures involved, the loan amount may not exceed 100% of the approved cost of the completed repair or rehabilitation.
5. **Property Subject to Existing Mortgage:** If part of the proceeds will be used to satisfy an existing mortgage, the loan amount may not exceed the sum of the estimated cost of repair and rehabilitation; plus the lesser of; (a) the outstanding indebtedness secured by the property, or (b) 90% of the estimated fair market “as is” value of the property prior to rehabilitation.
6. **Property to be Acquired:** If part of the proceeds will be used to acquire the property, the loan amount may not exceed the sum of 90% of the estimated cost of repair or rehabilitation; plus 90% of the lesser of: (a) the actual purchase price of the property, or (b) the estimated fair market “as is” value of the property prior to repair or rehabilitation.

Interest Rate: Subject to market conditions.

Funding: Qualifies for government guaranteed mortgage-backed securities or direct placement or to credit enhance tax-exempt bonds.

Personal Liability: None.

Assumable: Yes, subject to HUD and lender approval.

Prepayment: Typically closed for 3 years then open to prepayment at 107% in year 4, declining 1% per year. Other variations are possible based on market conditions and borrower preferences.

FHA Application Fees: 0.3% of the loan amount.

Mortgage Insurance Premium: The annual MIP has historically been 0.50% of the outstanding loan amount.

Territory: Nationwide.



For additional information visit www.redcapitalgroup.com or contact:

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In its prequalifying review, **Red Mortgage Capital, LLC** will attempt to estimate both the loan amount and the fees and costs associated with the transaction. Actual loan amounts and actual fees and expenses may vary from the prequalifying estimates. A prequalifying estimate is not a commitment to make a loan.

RED CAPITAL GROUP Offices

Columbus, OH_Boston, MA_Chicago, IL_Charlotte, NC_Dallas, TX_Nashville, TN_Newport Beach, CA_Reston, VA_San Diego, CA

