

Eligible Facilities

- Nursing homes, assisted living, ICF, board & care
- Same licensing and meals requirements
- $\leq 20\%$ non-care gross area/income; $\leq 25\%$ IL units
- Minimum 3 yrs since CO

Purpose

- Acquisition or refinance of existing licensed healthcare facilities

Loan Terms

- Term: ≤ 35 yrs fully amortizing
- Interest: Fixed (1% lock deposit, refunded)
- Recourse: Non-recourse

Loan Amount

- $\leq 80\%$ FMV (85% nonprofits)
- DSCR $\geq 1.45\times$
- $\leq 100\%$ of FHA-allowable costs (80–100% bands for nonprofits/grants)

Assumption & Prepayment

- 10-yr call protection (lockout + step-down penalties)
- Fully assumable (HUD approval)

Reserves & Fees

- Taxes & insurance escrows; replacement reserve per HUD
- Minimum liability coverage: \$1 MM occ/\$3 MM agg
- MIP: 1.0% at close, 0.65% annually
- HUD app fee: 30 bps; due diligence required
- Timeline: 45–60 days to firm app + OHP processing