

# DOUGHERTY MORTGAGE LLC

## PRODUCT OVERVIEW

### Eligibility:

- New construction or substantial rehabilitation of multifamily housing properties
- Market Rate, LIHTC, Bond

### Loan Structure:

#### Loan Amount determined by lesser of:

- 90% replacement Cost (100% for non-profit borrowers)
- Statutory Limits
- 90% of Net Operating Income (95% for non-profit borrowers)

### Loan Term:

- Up to 40 years (plus up to 36-month construction period)
- Fully Amortizing

### Debt Service Coverage Ratio:

- 1.11x minimum for profit-motivated borrowers
- 1.05x for non-profit borrowers

### \* Interest Rate:

- Fixed Rate locked at Commitment for both Construction and Permanent based on Market Conditions

### Prepayment:

- Lockout Terms may vary (typically 2-year lock with 8% declining)
- No yield maintenance

### Guaranty:

- Non-recourse for Construction and Permanent phase

### Mortgage Insurance:

- Required during Construction and Permanent phase
- 0.45% annually; first year's premium paid at loan closing
- 0.80% for certain non-profit or cooperative borrowers



### FHA/HUD Section 221(d)(3) and 221(d)(4) Multifamily and Construction and Permanent Financing

Mortgage financed under Sections 221(d)(3) and 221(d)(4) of the National Housing Act are insured by the Federal Housing Administration (FHA) to facilitate the new construction or substantial rehabilitation of multifamily rental or cooperative housing. Non-profit and cooperative sponsors may utilize Section 221(d)(3). Profit motivated may utilize Section 221(d)(4). FHA insurance combined with Ginnie Mae security provides a "AAA" credit enhancement for bonds.

### Requirements and Fees:

- **HUD Fee** - 0.3% FHA Exam Fee Fee (payable from mortgage proceeds)
- **Inspection Fee** - 5% for new construction (payable out of mortgage proceeds)

### Processing Fee:

- Typically \$25,000 - Includes cost of Third Party Reports (Appraisal, Market Analysis, Environmental and Physical Needs Assessment and Lender Due Diligence)
- Borrower is responsible for Legal Fees and standard Closing Costs

### Financing and Commitment Fees:

- Competitive and Negotiable

\* Call for current Rates and Terms

<b>Minneapolis</b>	(866) 922-0786
<b>Fort Worth</b>	(817) 332-3611
<b>Plano</b>	(972) 473-3759
<b>Denver</b>	(720) 344-7171