



FHA® 241(a): SUPPLEMENTAL LOAN FOR REPAIRS, ADDITIONS, OR IMPROVEMENTS TO HUD FIRST MORTGAGE PROPERTIES

HUD-Insured second mortgage provided by Arbor to finance repairs, additions and improvements to multifamily properties and healthcare facilities with existing HUD-insured first mortgage.

Loan Term	Generally co-terminus with the HUD first mortgage.
Amortization	Fully amortizing.
Maximum Loan Amount	Will be the lesser of: <ul style="list-style-type: none"> • 90% loan to cost • 90% loan to value • 1.11 Debt Service Coverage Ratio (combined first and second)
Rates	Fixed rate
Eligible Properties	Apartment properties and healthcare facilities with and existing HUD-insured first mortgage.
Eligible Borrowers	Single Asset Entity (non-profit entities eligible).
Recourse	Non-recourse, subject to HUD Regulatory Agreement.
Prepayment	Typically 10% year 1, declining 1% per year. Other pre-payment options available subject to market conditions.
Assumable	Subject to Arbor and HUD approval and payment of assumption fee.
HUD Mortgage Insurance Premium	<p>Annual MIP Rates (Multifamily):</p> <ul style="list-style-type: none"> • Market Rate Properties: 0.95% • Affordable Properties: 0.35% • Broadly Affordable or Energy Efficient Properties: 0.25% <p>Annual MIP Rates (Residential Healthcare)</p> <ul style="list-style-type: none"> • Without LIHTC: 0.72% • With LIHTC: 0.45% <p>(Hospitals)</p> <ul style="list-style-type: none"> • 0.65%
Davis Bacon	Applicable if the original underlying HUD first mortgage was subject to Davis Bacon.