



St. James Capital, L.L.C.

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## Federal Housing Administration Section 232 pursuant to 223(f) Refinancing T.A.P. – Traditional Accelerated Processing

<b><u>Program Description</u></b>	Fixed rate permanent financing for the acquisition or refinancing of existing skilled nursing facilities and assisted living facilities with at least 3 years of operating history.
<b>Loan Amount:</b>	No Maximum/Minimum
<b>Loan Term/Amortization:</b>	35 Years
<b>Prepayment:</b>	Negotiable but typically locked for 2 years, then 8%, 7%, 6%, etc. No penalty after 10 years.
<b>Recourse:</b>	Non-recourse
<b>Borrower:</b>	All properties must be owned by a single-asset entity
<b>Determination of Maximum Loan Amount:</b>	The lower of the following: (i) 85% of value including major movables; (ii) 1.17 debt service coverage; or (iii) Purchase – 85% of cost to acquire (including estimated repair costs, major movables, financing and closing expenses and initial deposit to replacement reserve); Refinance – The greater of (a) the amount of the outstanding indebtedness plus financing and closing expenses and initial deposit to replacement reserve, or (b) 80% of value.
<b>Subordinate Financing:</b>	Allowed up to the lesser of: (i) 7.5% of value; (ii) 50% of the cash requirement to close.
<b>Occupancy:</b>	No specific occupancy requirements prior to permanent loan funding.
<b>Assumability:</b>	Assumable with permission of lender and HUD.
<b>Reserves:</b>	Taxes, insurance, replacement reserve, and mortgage insurance premium escrows are required. Repair escrow may be required, if repairs are not completed and approved by HUD prior to closing.
<b>Application Fee:</b>	\$3/\$1,000 of mortgage amount.
<b>Lender Origination Fees:</b>	Negotiable based on loan size.
<b>Interest Rate:</b>	Interest Rates are based on market and are set upon acceptance of Commitment.

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