

HUD Interest Rate Reduction (IRR)

WALKER &
DUNLOP

ELIGIBLE PROPERTIES:	All existing HUD insured loans for market rate, affordable, elderly housing, nursing homes, assisted living, and housing cooperatives currently serviced by Walker & Dunlop
BORROWER:	The existing single asset and single purpose entity, either for profit or nonprofit
RECOURSE:	Fully non-recourse
LOAN AMOUNT:	Loan is limited to current unpaid principal balance
MAXIMUM MORTGAGE LIMITS:	The Loan amount and Loan Terms do not change: Proposed loan amount must be supported by in place NOI providing minimum DSCR of 1.05
INTEREST RATE:	Fixed rate determined by market conditions at the time of rate lock
AMORTIZATION AND TERM:	The remaining term of existing mortgage
MORTGAGE INSURANCE PREMIUM:	Remains unchanged
COST:	Borrower Legal, PCNA > Non-Profits may request to utilize replacement reserves to cover cost
ESCROWS:	Escrows for taxes, insurance and mortgage insurance premium continue to be required
REPLACEMENT RESERVES:	Monthly deposits remain unchanged
TIMING	Processing time is expedited compared with other executions
HUD EXAM FEE:	No HUD exam fee
RATE LOCK DEPOSIT:	Typically, 0.5% of mortgage amount, refunded at closing
THIRD PARTY REPORTS:	PCNA required if more than 10 years from last PCNA
ASSUMABILITY:	Fully assumable

As of February 2024

California loans will be made to finance lenders license #603H310 from the DBO. © Walker & Dunlop 2023