



HOSPITALS | FHA/HUD Section 242/223(a)(7)

Refinancing of an Existing FHA Hospital Insured Loan

Our HUD Section 242/223(a)(7) program provides for the streamlined refinance of an existing FHA-insured project.

Term	Up to 12 years beyond the remaining term of the existing mortgage, but not to exceed the original term. A term extension request must be supported by a determination of the remaining economic life of the property.
Loan Parameters	Loan principal can be increased to original FHA-insured loan amount.
HUD Fees and Expenses	<ul style="list-style-type: none">• FHA application (examination) fee: 0.3% of mortgage amount.• Mortgage Insurance Premium of 0.55% of the outstanding loan amount.
Funding	Ginnie Mae guaranteed mortgage-backed securities.
Other Program Parameters	The Mortgage Reserve Fund (MRF) established for the hospital's original 242 insured loan must be continued. However, the MRF Schedule can be renegotiated to make it consistent with the interest rate and term of the refinanced loan.
