

BedfordLending

HUD 223(f) Apartment Refinance Processing Timeline

Participants:

BLC = Bedford Lending Corp.

CLT= Client

HUD = HUD

Steps	Resp	Days	Cumulative	Fees Due - They are all Mortgageable	Comments/Critical Requirements
<p>Pre-Qualification - BLC to prequalify the project. Information needed includes (but is not limited to):</p> <ul style="list-style-type: none"> - Three years historical tax returns - Breakdown of units (no. of 1 bedroom, 2 bedroom, 3 bedroom, studios and monthly rate for each). Also amount of other income generated monthly (i.e., parking, laundry). - Description of the development (i.e., no. of buildings, number of stories, parking, etc.) - Most recent rent roll (name of tenant, monthly rent, move in date and indication of any subsidized rents (ie Section 8) - pictures of the property - Current mortgage amount and lender - Any third-party reports (i.e., appraisal or environmental) available - List of proposed repairs and anticipated dollar amount. List of most recent repairs and amount. <p>Once received, BLC will prepare a preliminary financial analysis and email to client.</p>	BLC	0	0		BLC to provide an ongoing checklist of outstanding information as documentation is gathered and submitted.
<p>Concept Meeting - BLC to prepare formal document for presentation at local HUD office.</p>	BLC	3	3		
<p>Start of Underwriting - Upon HUD conditional approval to move forward, we begin underwriting.</p>	BLC/CLT	1	4	\$5,000 Retainer	This retainer is only due after HUD conditional approval. This covers travel cost and printing / shipping fees for the underwriting packages. This is credited towards our fee at closing and is mortgageable.
<p>Application Process - BLC to assemble Third-Party Team and need:</p> <ul style="list-style-type: none"> - Appraisal - Phase 1 Environmental - ALTA Survey required (borrower responsibility) - Need to update title and provide pro forma title insurance policy (borrower responsibility) - Property Needs and Condition Assessment (PCNA) - Energy benchmarking <p>It generally takes 30-45 days for the third-party reports. During this period, BLC underwriter to gather remainder of required information from borrower and complete HUD submission package.</p>	BLC	45	49	\$25,000 - \$35,000 for third-party reports. Dependent on market costs associated with third-party reports.	BLC will obtain quotes from qualified third-party vendors in local market. These fees are due out of pocket during underwriting, but they are mortgageable and credited as pre-paid expense when deal closes.
<p>BLC Review & Submission - Once third-party reports are secured, BLC will analyze the reports, submit a write-up with accompanying exhibits and reports to HUD for approval.</p>	BLC	5	54	Client needs to remit .3% of the mortgage amount to HUD. This cost is mortgageable.	Preparation of Application will occur at same time third-party reports being completed. Critical will be timely submission of exhibits from client.
<p>HUD'S Screening of the Application - HUD will issue approval, denial or approval with conditions.</p>	HUD	30	84		Subject to HUD workload. HUD has 45 business days to act on application, but generally processes faster.
<p>Coordinate Closing</p>	BLC	20	104		