BedfordLending

Experience of the Development Team

Only Borrowers, Operators and Management Agents whose principals have at least three years of experience successfully operating multiple projects with the types of beds proposed will generally qualify for HUD mortgage insurance. Those participants with experience successfully operating only one project must have a longer operating history than three years. Experience in a market near the proposed market is more highly valued than experience in a different region of the country.

The experience must include marketing, operating, and where applicable, developing and leasing up the types of beds proposed. Experience of the Management Agent or Operator is generally not an acceptable mitigant to offset the Borrower's lack of experience. If the Management Agent or Operator is given an ownership percentage of the mortgagor entity, this *may* offset some of the requisite Borrower experience. The evidence provided to document this experience must include a complete list of the names of each project, types of care provided, locations, unit and bed count, and dates.

If an application cites the experience of the principals of the Operator or Management Agent, the evidence must also include the specific responsibilities for those entities at each project.