

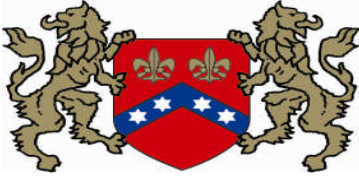
## THE OXBRIDGE FHA FACILITY – FHA TERM SHEETS

Set forth below are the various types of FHA Loans for which the Oxbridge FHA Facility will provide GAP funding (i.e. funding of borrower equity requirement) to qualified project sponsors:

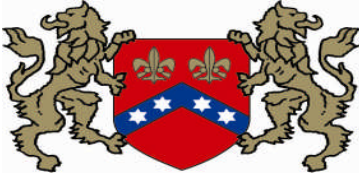
### Federal Housing Administration Section 221(d)(3) - New Construction / Sub-Rehab

M.A.P. – Multifamily Accelerated Processing; T.A.P. – Traditional Accelerated Processing

<b>Program Description:</b>	Combination construction and permanent loan program for new construction or substantial rehabilitation of affordable and market rate apartment communities owned by non-profit entities.
<b>Loan Amounts:</b>	No Maximum/Minimum
<b>Loan Terms/ Amortization:</b>	Construction Loan – Up to 2 years; Permanent Loan – Up to 40 years (fully amortizing)
<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 for both construction and permanent loans
<b>Borrower:</b>	All properties must be owned by a single-asset, non-profit entity
<b>Debt Service Coverage:</b>	1.05
<b>Loan-to-Development Cost Ratio:</b>	100%
<b>Subordinate Financing:</b>	With FHA's approval; soft subordinate financing paid out of available net project cash flow
<b>Assumability:</b>	Assumable with permission of lender and HUD
<b>Income &amp; Expenses:</b>	Based on current market comparables (no trending)
<b>Reserves:</b>	Taxes, insurance, replacement reserve and mortgage insurance premium escrows are required
<b>Financing Methods:</b>	Available for both conventional financing and as credit enhancement for bond transactions.



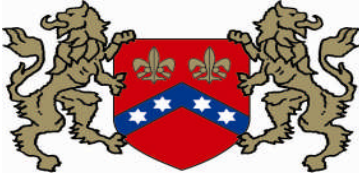
<b>Processing:</b>	M.A.P. – Lender performs all underwriting and prepares/reviews applications for program requirements; FHA reviews for compliance and accuracy. FHA conducts pre-application meeting for project acceptability; T.A.P. – Lender underwrites, prepares and submits application; FHA processes application through permanent loan closing, including preparation of all third party reports
<b>Interest Rate Locks:</b>	Interest Rates are based on market and are set upon acceptance of Commitment and fixed for entire construction and permanent terms
<b>Conversion to Permanent Loan:</b>	Only requirements are completion and cost certification. Not subject to re-underwriting.
<b>Application Fee:</b>	\$3/\$1,000 of mortgage amount
<b>Lender Origination Fee:</b>	Negotiable based on loan size



**Federal Housing Administration  
Section 221(d)(4) – New Construction/Sub-Rehab**

**M.A.P. – Multifamily Accelerated Processing; T.A.P. – Traditional Accelerated Processing**

<b>Program Description:</b>	Combination construction and permanent loan program for new construction and substantial rehabilitation of affordable and market rate apartment communities
<b>Loan Amounts:</b>	No Maximum/Minimum
<b>Loan Terms/Amortization:</b>	Construction Loan – Up to 2 years; Permanent Loan – 40 years (fully amortizing)
<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, for both construction and permanent loans
<b>Borrower:</b>	All properties must be owned by a single-asset entity
<b>Debt Service Coverage:</b>	1.12
<b>Loan-to-Development Cost Ratio:</b>	90%
<b>Subordinate Financing:</b>	With FHA's approval; soft subordinate financing paid out of available net project cash flow
<b>Assumability:</b>	Assumable with permission of Lender and HUD
<b>Income &amp; Expenses:</b>	Based on current market comparables (no trending)
<b>Reserves:</b>	Taxes, insurance, replacement reserve and mortgage insurance premium escrows are required
<b>Financing Methods:</b>	Available for both conventional financing and as credit enhancement for bond transactions
<b>Processing:</b>	M.A.P. – Lender performs all underwriting and prepares/reviews applications for program requirements; FHA reviews for compliance and accuracy; T.A.P. – Lender underwrites, prepares and submits application; FHA processes application through permanent loan closing, including preparation of all third party reports
<b>Application Fee:</b>	\$3/\$1,000 of mortgage amount
<b>Lender Origination Fees:</b>	Negotiable based on loan size

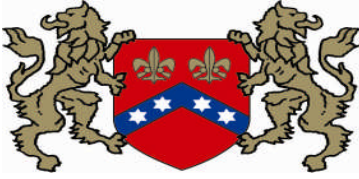


**Interest Rate:**

Interest Rates are based on market and are set upon acceptance of Commitment and fixed for entire construction and permanent terms

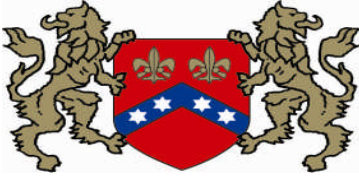
**Conversion to  
Permanent Loan:**

Only requirements are completion and cost certification. Not subject to re-underwriting



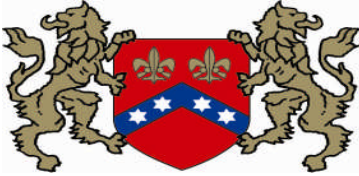
**Federal Housing Administration  
Section 223(a)(7) - Refinance  
T.A.P. – Traditional Accelerated Processing**

<b>Program Description:</b>	Fixed rate permanent refinancing for existing apartment communities with FHA insured mortgages. This is a streamline refinance program that does not allow equity take-out. Streamline benefits include no property inspection, no appraisal, no environmental, modified mortgage credit analysis, reduced application fee, and no FHA inspection fee
<b>Loan Amount:</b>	No Maximum/Minimum
<b>Loan Term/Amortization:</b>	The remaining term of the existing HUD insured mortgage. An additional 12 years can be added if warranted and approved by HUD
<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: <ul style="list-style-type: none"><li>(i) original insured mortgage amount;</li><li>(ii) 1.12 debt service coverage; or</li><li>(iii) the amount of the outstanding indebtedness plus financing, closing expenses, and any repairs</li></ul>
<b>Subordinate Financing:</b>	With FHA's approval, soft subordinate financing paid out of available net project cash flow
<b>Assumability:</b>	Assumable with permission of lender and HUD
<b>Income &amp; Expenses:</b>	Based on current market comparables (no trending)
<b>Reserves:</b>	All tax, insurance, replacement reserve, and mortgage insurance premium escrows are required and must be transferred to the new loan. A repair escrow, if repairs are to be made
<b>Application Fee:</b>	\$3/\$1,000 of the mortgage amount applied for; 50% refunded after closing
<b>Lender Origination Fees:</b>	Negotiable, based on loan size



**Interest Rate:**

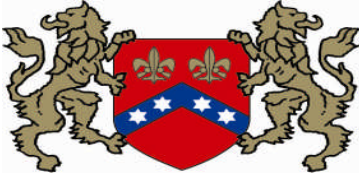
Interest Rates are based on market and are set upon acceptance of Commitment



**Federal Housing Administration  
Section 223(f) - Refinance**

**M.A.P. – Multifamily Accelerated Processing; T.A.P. – Traditional Accelerated Processing**

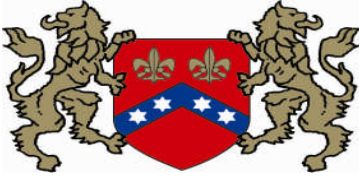
<b>Program Description:</b>	Fixed rate permanent financing for the acquisition or refinancing of existing apartment communities with at least 3 years of operating history
<b>Loan Amount:</b>	No Maximum/Minimum
<b>Loan Term/Amortization:</b>	35 Years
<b>Prepayment:</b>	Negotiable, but typically locked 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 HUD appraised value; (ii) 1.17 debt service coverage; or (iii) Purchase – 85% of cost to acquire (including estimated repair costs, financing and closing expenses and initial deposit to replacement reserve); Refinance – The greater of (a) the amount of the outstanding indebtedness plus financing, 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 requirements 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>	Tax, 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>FHA/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 and fixed for entire term



**Federal Housing Administration  
Section 232 – New Construction/Sub-Rehab  
T.A.P. – Traditional Accelerated Processing**

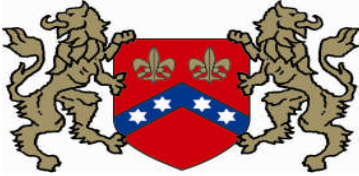
<b>Program Description:</b>	Combination construction and permanent loan program for new construction or substantial rehabilitation of nursing homes, homes for the aged and assisted living facilities
<b>Loan Amounts:</b>	No Maximum/Minimum
<b>Loan Terms/Amortization:</b>	Construction Loan – Up to 2 years Permanent Loan – Up to 40 years (self - amortizing)
<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, for both construction and permanent loans
<b>Borrower:</b>	All properties must be owned by a single-asset entity
<b>Debt Service Coverage:</b>	1.12
<b>Loan-to-Development Cost Ratio:</b>	90%
<b>Subordinate Financing:</b>	With FHA's approval, soft subordinate financing paid out of available net project cash flow
<b>Assumability:</b>	Assumable with permission of Lender and HUD
<b>Income &amp; Expenses:</b>	Based on current market comparables (no trending)
<b>Reserves:</b>	Taxes, insurance, replacement reserve and mortgage insurance premium escrows are required
<b>Financing Methods:</b>	Available for both Conventional financing and as Credit Enhancement for Bond transactions
<b>Processing:</b>	T.A.P. – Lender underwrites, prepares and submits application; FHA processes application through permanent loan closing, including preparation of all third party reports
<b>Interest Rate:</b>	Interest Rates are based on market and are set upon acceptance of Commitment and fixed for entire construction and permanent terms





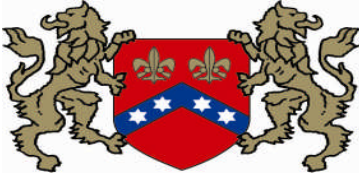
**Conversion to  
Permanent Loan:**

Only requirements are completion and cost certification. Not subject to re-underwriting



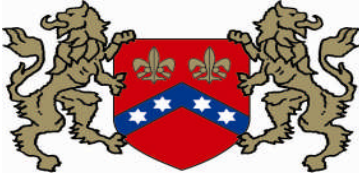
**Federal Housing Administration  
Section 232 pursuant to 223(f) - Refinance  
T.A.P. – Traditional Accelerated Processing**

<b>Program Description:</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



**Federal Housing Administration  
202 Prepayment/Section 221(d)(4) Substantial Rehab  
M.A.P. – Multifamily Accelerated Processing  
T.A.P. – Traditional Processing**

<b>Program Description:</b>	Fixed rate construction and permanent commitments for substantial rehabilitation of HUD Section 202 senior housing
<b>202 Prepayment Application:</b>	Prepared by Oxbridge or partner outlining reasons for prepayment including anticipated use of debt service savings and new loan excess proceeds
<b>Loan Amounts:</b>	No Maximum/Minimum
<b>Loan Terms/Amortization:</b>	Construction Loan – Up to 2 years Permanent Loan – Up to 40 years amortizing
<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, for both construction and permanent loans
<b>Borrower:</b>	All properties must be owned by a single-asset entity
<b>Debt Service Coverage:</b>	1.11
<b>Loan-to-Development Cost Ratio:</b>	90%
<b>Subordinate Financing:</b>	With FHA's approval, soft subordinate financing paid out of available net project cash flow
<b>Assumability:</b>	Fully assumable subject to HUD and Lender approval
<b>Income:</b>	Underwritten at current Section 8 rents
<b>Reserves:</b>	Property Tax (if applicable), insurance, replacement reserve and mortgage insurance premium escrow are required
<b>Financing Methods:</b>	Available for both Conventional financing and as Credit Enhancement for Bond transactions
<b>Processing:</b>	M.A.P. – Lender performs all underwriting and prepares/reviews applications for program requirements; FHA reviews for compliance and accuracy. FHA conducts pre-application meeting for project acceptability; T.A.P. – Lender underwrites, prepares



and submits application; FHA processes application through permanent loan closing, including preparation of all third party reports

**Interest Rate:**

Interest Rates are based on market and are set upon acceptance of Commitment and fixed for entire construction and permanent terms

**Conversion to Permanent Loan:**

Only requirements are completion and cost certification. Not subject to re-underwriting

**Construction Security:**

Required Letters of Credit

**Working Capital:**

2.00% of loan amount

**Assurance of Completion:**

15-25% of construction contract

**Operating Deficit:**

As applicable

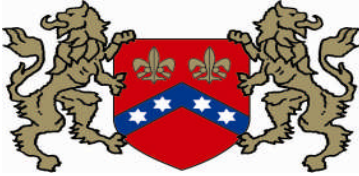
**Permanent Security:**

Latent Defects: 2.50% of construction contract. Released 15 mos. after completion.

**Permanent Loan Closing:**

Project completion with cost certification and Certificates of Occupancy for all units

**HUD/FHA Application Fee:** \$3/\$1000 of mortgage amount



**Federal Housing Administration  
202 Prepayment/Section 223(f)  
M.A.P. – Multifamily Accelerated Processing  
T.A.P. – Traditional Processing**

<b>Program Description:</b>	Fixed rate permanent financing for the acquisition or refinancing of existing HUD Section 202 Senior housing communities.
<b>202 Prepayment Application:</b>	Prepared by Oxbridge or partner outlining reasons for prepayment including anticipated use of debt service savings and new loan excess proceeds.
<b>Loan Amount:</b>	No Maximum/Minimum
<b>Loan Term:</b>	35 Years
<b>Amortization:</b>	Up to 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>	For Purchase, the lesser of (i) 90% of value, (ii) 1.11 debt service or (iii) 85% of cost to purchase; For Refinance, the lesser of 90% of value, 1.11 debt service, (iii) 100% cost of refinance
<b>Subordinate Financing:</b>	Allowed up to the lesser of: 7.5% of value or 50% of the cash requirements to close
<b>Assumability:</b>	Fully assumable subject to HUD and Lender approval
<b>Income:</b>	Underwritten at current Section 8 rents
<b>Reserves:</b>	Property Tax (if applicable), insurance, replacement reserve, mortgage insurance premium escrow and Non-critical repair escrow. Critical repairs are completed and approved by HUD prior to closing.
<b>Application Fee:</b>	\$3/\$1,000 of mortgage amount
<b>Interest Rate:</b>	Interest Rates are set upon acceptance of Commitment