

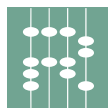
Financing Through HUD: A Guide for Real Estate Developers

| INDUSTRY |



Exploring the possibilities.
Discovering the advantages.

Real estate developers seeking financing can benefit from programs available through The U.S. Department of Housing and Urban Development (HUD). For more than 30 years, Reznick Group has worked with HUD to help our clients get the financial assistance they need.



**Reznick
Group**

ACCOUNTING • TAX • BUSINESS ADVISORY

Financing Through HUD

For more than 30 years, Reznick Group has helped developers obtain financing through HUD — the U.S. Department of Housing and Urban Development. Through insured loans, risk-sharing programs, grants and other financing programs, HUD works to stimulate housing construction, revitalize urban neighborhoods, and provide decent, safe and affordable housing. Many developers, however, have been reluctant to seek HUD financial assistance as the process can often be complex and lengthy.

As a top 20 national accounting, tax and business advisory firm with a focus on real estate, Reznick Group has deep knowledge and experience related to HUD financing. Through our consultative approach, we work with developers to determine which HUD program to apply for based on the specified project. We can help them receive the maximum benefit under the applicable program by guiding them through the application process, addressing HUD regulatory requirements, and providing cost certifications, audited financial statements and other required documentation. We can also help developers leverage applicable federal and state tax credits.

Reznick Group also has relationships with major HUD approved lenders and can assist developers in finding, and working with, an industry leading lender.



Our Services

- Audit services for HUD and tax credit properties
- Tax returns, audited financial statements and electronic transmissions
- Cost certifications
- Due diligence
- Financial forecasts and projections in conjunction with raising equity
- Form HUD-2530 preparation and submission
- Consultation on HUD financing applications
- Joint venture HUD contract preparation/consultation between contractor and sponsor
- HUD Lean Program consulting services (seniors housing properties)
- Section 8 contract administration on behalf of housing agencies
- Tax credit advisory services (low income housing, historic rehabilitation, New Markets tax credits)

Our Experience

Among accounting firms, Reznick Group has one of the country's deepest pools of knowledge related to HUD financial issues. We have worked with HUD on both a national and field office basis, helping to train staff in





56 HUD field offices. We have participated in HUD's audited financial statements Data Standardization Task Force and have provided HUD, House and Senate sub-committee staff and others with technical guidance on the Mark-to-Market Program.

We provide attest services, REAC and LASS submissions for numerous entities including HUD lenders and properties. We also test financial institutions' compliance with FHA's MAP quality control requirements and regulations for underwriting loans insured by FHA. Our clients include some of the largest financial institutions.

Learn More:

Including Reznick Group as part of your HUD financing team will provide you with access to a depth of knowledge and experience unparalleled in our industry.

For more information on how your company can benefit from our HUD financing services, visit:

www.reznickgroup.com/affordablehousing

HUD Programs That Can Work for You

Reznick Group has successfully gained financial assistance for our clients through our comprehensive understanding of the available HUD programs. Each program has different requirements, maximum loan amounts, interest rates and amortization schedules. Our goal is to help developers optimize the benefits of HUD financing through the program that best meets their needs.

A representative list of HUD programs in which Reznick Group has significant experience is shown below:

Sec. 220

Eligible Property Type: Rental housing in urban areas

Description: Insured loan for multifamily rental projects in designated urban areas

Sec. 221(d) (4)

Eligible Property Type: Rental housing

Description: Insured loan to finance construction or substantial rehabilitation of rental or co-operative multifamily housing projects

Sec. 223 (f)

Eligible Property Type: Rental housing

Description: Insured loan for the purchase or refinancing of existing multifamily housing projects

Sec. 231

Eligible Property Type: Elderly housing

Description: Insured loan to finance construction or rehabilitation of rental housing for people aged 62+ or handicapped

Sec. 232

Eligible Property Type: Nursing homes and assisted living facilities

Description: Mortgage insurance for the construction or renovation of skilled nursing, assisted living, intermediate care, boards and care homes

Sec. 232-223(f)

Eligible Property Type: Nursing homes and assisted living facilities

Description: Insured loan for the purchase or refinancing of skilled nursing, assisted living, intermediate care, boards and care homes

Sec. 242

Eligible Property Type: Hospitals and acute care facilities

Description: Mortgage insurance for the construction or rehabilitation of hospitals

About Reznick Group

Reznick Group is a top 20 national CPA firm providing accounting, tax and business advisory services to clients nationwide. The firm's industry experience includes affordable housing, financial services, renewable energy, healthcare, nonprofits, professional services, commercial real estate and technology.

For more information, visit:
www.reznickgroup.com