

To be eligible for the hospital mortgage insurance program, HUD requires that the lender have a first lien position on real estate.

If the hospital does not own the real estate in fee simple, and is only able to grant a mortgage on a leasehold interest, then the hospital may still qualify for mortgage insurance if the term of the lease is at least 99 years (or 50 years, with the option to renew at least 49 years). If this is the case with your proposal, however, the proposal can not be Pre-Screened. Please contact the Hospital Program's Underwriting Director (paul.a.giaudrone@hud.gov) for more details.