

terminated for at least six months and the mortgagee continues to be an approved mortgagee meeting the requirements of 24 CFR 202.5, 202.6, 202.7, 202.10 and 202.12. The mortgagee’s application for reinstatement must be in a format prescribed by the Secretary and signed by the mortgagee. In addition, the application must be accompanied by an independent analysis of the terminated office’s operations as well as its mortgage production, specifically

including the FHA-insured mortgages cited in its termination notice. This independent analysis shall identify the underlying cause for the mortgagee’s high default and claim rate. The analysis must be prepared by an independent Certified Public Accountant (CPA) qualified to perform audits under Government Auditing Standards as provided by the Government Accountability Office. The mortgagee must also submit a written corrective action plan to address each of

the issues identified in the CPA’s report, along with evidence that the plan has been implemented. The application for reinstatement must be submitted through the Lender Electronic Assessment Portal (LEAP). The application must be accompanied by the CPA’s report and the corrective action plan.

Action: The following mortgagees have had their DE Approval terminated by HUD:

Mortgagee name	Mortgagee home office address	HUD office jurisdictions	Termination effective date	Homeownership centers
Equity Prime Mortgage LLC ...	5 Concourse Pkwy., Ste. 2250, Atlanta, GA 30328–7121.	New York, Jacksonville, Orlando, Louisville.	8/22/2025	Atlanta, Philadelphia.

Vance T. Morris,
Associate General Deputy Assistant Secretary for Housing.
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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–6568–N–01]

Notice of HUD-Held Healthcare Loan Sale (HLS 2026–1)

AGENCY: Office of the Assistant Secretary for Housing—Federal Housing Commissioner, U.S. Department of Housing and Urban Development (HUD).

ACTION: Notice of sale of eight (8) healthcare mortgage loans secured by 8 properties.

SUMMARY: HUD is announcing the competitive, sealed bid sale of eight unsubsidized healthcare mortgage loans, without Federal Housing Administration (FHA) insurance. This sale, referred to as HLS 2026–1, is scheduled to occur on or about October 22, 2025. This notice also describes generally the bidding process for the sale and certain persons who are ineligible to bid.

DATES:

Bidder’s Information Package (BIP) Available: On or about September 23, 2025.

Bid Date: October 22, 2025 (bids must be submitted during specified hours).

Anticipated Award Date: On or before October 27, 2025.

Closing Date: November 13, 2025.

ADDRESSES: Prospective bidders must complete, sign, and submit a Confidentiality Agreement and a

Qualification Statement that meet HUD’s requirements. These documents will be accessible via Mission Capital Advisors’ bidding platform at market.missioncap.com, where participants can also register and submit all required documentation electronically. Questions about the bidder qualification process may be sent to: Transaction Specialist at 1–844–709–0763 or email HUDSales@FalconAssetSales.com.

FOR FURTHER INFORMATION CONTACT: John Lucey, Director, Office of Asset Sales, U.S. Department of Housing and Urban Development, 451 Seventh Street SW, Washington, DC 20410–8000; telephone 202–708–2625, extension 3927 (this is not a toll-free number), or at john.w.lucey@hud.gov. HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit <https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs>.

SUPPLEMENTARY INFORMATION: HUD is announcing its intention to sell eight (8) unsubsidized, non-performing healthcare mortgage loans (the “Mortgage Loans”) in Loan Sale HLS 2026–1. The offering includes eight (8) first-lien mortgage notes, secured by skilled nursing and assisted living facilities located across Missouri, Connecticut, Maine, Minnesota, and Illinois. The Mortgage Loans will be sold without FHA insurance and with HUD servicing released. Qualified bidders will have the opportunity to submit competitive, sealed bids for the Mortgage Loans. For bidding purposes, HUD will stratify the loans into pools,

grouping them by characteristics such as loan performance, property type, geographic location, and lien position. Pools may contain single or multiple loans. Bidders may submit offers on one or more pools.

Bidder Eligibility

Eligibility requirements are detailed in the Qualification Statement, which outlines HUD’s restrictions on bidding based on prior involvement with the Mortgage Loans. Certain entities or individuals may be ineligible to participate.

The full loan listing and additional sale details are included in the Bidder’s Information Package (BIP), available to qualified bidders upon submission of an acceptable Confidentiality Agreement and Qualification Statement via market.missioncap.com.

Bidding Process

The BIP provides detailed instructions on bidding procedures for HLS 2026–1. It will also include a standardized, non-negotiable Loan Sale Agreement that governs the terms of the sale. For access to the BIP and to register for the sale, qualified bidders must submit an executed Confidentiality Agreement and a completed Qualification Statement via Mission Capital Advisors’ platform: market.missioncap.com.

As part of its bid, each bidder must submit a minimum deposit of the greater of One Hundred Thousand Dollars (\$100,000) or ten percent (10%) of the aggregate bid prices for all of such bidder’s bids. If a bidder’s total bid is less than One Hundred Thousand Dollars (\$100,000), the minimum deposit shall be not less than fifty percent (50%) of the bidder’s aggregate

bid. HUD will evaluate all bids and select the successful bid(s) in its sole and absolute discretion. For any winning bidder, the bid deposit becomes non-refundable and will be credited toward the final purchase price. Any deposit amount exceeding the purchase price will be refunded. Deposits submitted by unsuccessful bidders will be returned after notification of the winning bid(s). Closings are expected to occur on November 13, 2025.

The Loan Sale Agreement, included in the BIP, sets forth additional terms and conditions of the sale. To maintain a fair and competitive auction process, neither the bidding procedures nor the Loan Sale Agreement are subject to negotiation.

Due Diligence Review

The BIP describes the due diligence process for reviewing loan files in HLS 2026–1. Qualified bidders will be able to access loan information electronically. Further information on performing a due diligence review of the Mortgage Loans is provided in the BIP.

Mortgage Loan Sale Policy

HUD reserves the right to add Mortgage Loans to or delete Mortgage Loans from HLS 2026–1 at any time prior to the award date. HUD also reserves the right to reject bids, in whole or in part, without prejudice against HUD's right to include the Mortgage Loans in a later sale. The Mortgage Loans will not be withdrawn after the award date except as is specifically provided for in the Loan Sale Agreement.

This is a sale of unsubsidized mortgage loans, pursuant to Section 204(a) of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act of 1997, (12 U.S.C. 1715z–11a(a)).

Mortgage Loan Sale Procedure

HUD selected a competitive auction as the method to sell the Mortgage Loans. This method of sale optimizes HUD's return on the sale of these Mortgage Loans, affords the greatest opportunity for all qualified bidders to bid on the Mortgage Loans, and provides the most efficient vehicle for HUD to dispose of the Mortgage Loans.

Bidder Eligibility

To bid in the sale, a prospective bidder must complete, execute, and submit both a Confidentiality Agreement and a Qualification Statement acceptable to HUD. The following individuals and entities are

among those INELIGIBLE to bid on the Mortgage Loans being sold in HLS 2026–1:

1. A mortgagor or healthcare operator, including its principals, affiliates, family members, and assigns, with respect to one or more of the Mortgage Loans being offered in the Loan Sale, or an Active Shareholder (as such term is defined in the Qualification Statement);

2. With respect to any other HUD multifamily and/or healthcare mortgage loan not offered in the Loan Sale, any mortgagor or healthcare operator, including any Related Party (as such term is defined in the Qualification Statement) of either, that has failed to file financial statements or is otherwise in default under such mortgage loan or is in violation or noncompliance of any regulatory or business agreements with HUD and that fails to cure such default or violation by no later than October 1, 2025;

3. Any individual or entity that is debarred, suspended, or excluded from doing business with HUD pursuant to Title 2 of the Code of Federal Regulations, Part 2424;

4. Any contractor, subcontractor and/or consultant or advisor (including any agent, employee, partner, director, principal or affiliate of any of the foregoing) who performed services for, or on behalf of, HUD in connection with HLS 2026–1;

5. Any employee of HUD, a member of such employee's family, or an entity owned or controlled by any such employee or member of such an employee's family;

6. Any individual or entity that uses the services, directly or indirectly, of any person or entity ineligible under provisions (3) through (5) above to assist in preparing its bid on any Mortgage Loan;

7. An FHA-approved mortgagee, including any principals, affiliates, or assigns thereof, that has received FHA insurance benefits for one or more of the Mortgage Loans being offered in the Loan Sale;

8. An FHA-approved mortgagee and/or loan servicer, including any principals, affiliates, or assigns thereof, that originated one or more of the Mortgage Loans being offered in the Loan Sale if the Mortgage Loan defaulted within two years of origination and resulted in the payment of an FHA insurance claim;

9. Any affiliate, principal or employee of any person or entity that, within the two-year period prior to October 1, 2025, serviced any Mortgage Loan or performed other services for or on behalf of HUD in regard to any Mortgage Loan;

10. Any contractor or subcontractor working for or on behalf of HUD that had access to information concerning any Mortgage Loan or provided services to any person or entity which, within the two-year period prior to October 1, 2025, had access to information with respect to any Mortgage Loan; and/or

11. Any employee, officer, director or any other person that provides or will provide services to the prospective bidder with respect to the Mortgage Loans during any warranty period established for the Loan Sale, that serviced the Mortgage Loans or performed other services for or on behalf of HUD or within the two-year period prior to October 1, 2025, provided services to any person or entity which serviced, performed services or otherwise had access to information with respect to any Mortgage Loan for or on behalf of HUD.

Other entities/individuals not described herein may also be restricted from bidding on the Mortgage Loans, as fully detailed in the Qualification Statement.

The Qualification Statement provides further details pertaining to eligibility requirements. Prospective bidders should carefully review the Qualification Statement to determine whether they are eligible to submit bids on the Mortgage Loans in HLS 2026–1.

Freedom of Information Act Requests

HUD reserves the right, in its sole and absolute discretion, to disclose information regarding HLS 2026–1, including, but not limited to, the identity of any successful bidder and its bid price or bid percentage for the Mortgage Loans, upon the closing of the sale of the Mortgage Loans. Even if HUD elects not to publicly disclose any information relating to HLS 2026–1, HUD may be required to disclose information relating to HLS 2026–1 pursuant to the Freedom of Information Act and all regulations promulgated thereunder.

Scope of Notice

This notice applies to HLS 2026–1 and does not establish HUD's policy for the sale of other mortgage loans.

Frank Cassidy,

Principal Deputy Assistant Secretary for Housing.

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