

Fannie Mae Fixed Rate Loan Program

GREYSTONE

Description

Non-recourse, assumable fixed rate financing for the acquisition or refinance of stabilized multifamily rental or cooperative properties

Loan Term

5-, 7-, 10-, 12-, 15-, 18-30

Amortization

30 years, based on property condition; Interest-only financing is available

Loan to Value Maximum

Maximum 80% of appraised value, or if property has been purchased within the past 12 months, 80% of lower of: a) purchase price, plus value added renovation, plus 3% closing costs, or b) appraisal

Coverage Minimum

1.25x minimum

Borrower

Domestic single asset borrowing entity is required

Interest Rate

Risk-based "Tier" pricing, varying with LTV and DSC ratios

Prepayment Terms

Yield Maintenance or Declining Prepayment

Third Party Reports

MAI Appraisal, Zoning Report, Physical Needs Assessment, and Environmental Phase I Assessment are required, plus Seismic Report may be required

Reserves

Tax and insurance escrows are required; Funded Repair and Replacement escrow is required, based on engineer's Physical Needs Assessment; For loans at more conservative leverage, starting at 65% / 1.35x, with no deferred maintenance, funding of repair and replacement reserve can be waived at lender's discretion

Application Fee

\$15,000; covers third party reports and processing/underwriting costs

Origination Fee

Fannie Mae requires a minimum origination fee based on loan size. Origination fees can be charged "outside" of the interest rate as a separate fee, or it can be built into the rate

Timing

45-60 days from application to commitment; dependent on third party report timing and borrower's submission of due diligence

Rate Lock

Typically, lock occurs after commitment is issued; Streamlined Rate Lock option is available, allowing an expedited rate lock

Assumability

Loan is assumable, subject to lender approval of proposed replacement borrower; Fees include 1% assumption fee, part of which is paid to Fannie Mae, and a \$3,000 processing fee to cover lender's underwriting expenses

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