

Fannie Mae Seniors Housing Loan Program

GREYSTONE

Description

Non-recourse, assumable financing for the acquisition or refinance of stabilized independent living (IL) and assisted living (AL) properties; Properties that assist residents with memory care (MC) are eligible for financing under Fannie Mae's Seniors Housing Program; Properties should have achieved and sustained at least an average of 90% occupancy for the preceding 90 days; Newly constructed and stabilized Senior Housing properties, as well as campuses containing skilled nursing beds, are eligible for financing under Fannie Mae's Senior Housing program, on a case-by-case basis; Buildings must be fully sprinklered; At least 80% of the beds must be private pay unless a waiver is granted; Buy-In and Rental Continuing Care Retirement Communities (CCRC's) are also eligible, on a case-by-case basis

Loan Amount

Minimum \$5,000,000, with exceptions on a case-by-case basis; Supplemental Loans are available under the Fannie Mae Seniors Housing Program

Loan Term

5-, 7-, 10-, 15-, or 18-year balloons; 20-, 25- and 30-year fully amortizing

Amortization

30 years maximum

Loan to Value Maximum

Maximum 75% of appraised value; maximum of 80% for tax-exempt bond financed transactions

Coverage Minimum

1.30x for properties with 50% or greater independent living; 1.40x for properties with an assisted living component greater than 50%; Minimum coverage for stand-alone memory care properties is 1.45x; Minimum coverage for properties containing any skilled nursing component is 1.50x

Borrower

Domestic single asset borrowing entity is required; Ownership and management must demonstrate previous experience with properties of similar type, size and service level

Interest Rate

Risk-based pricing; Fixed rate transactions are benchmarked on the associated Treasury Bill; Variable rate transactions are benchmarked on the 30 or 90day LIBOR; Low leverage, large or pooled transactions may qualify for reduced pricing

Prepayment

Yield Maintenance and Graduated Prepayment

Third Party Reports

MAI Appraisal, Physical Needs Assessment, Environmental Phase I Assessment and Management and Operations Assessment are required for all transactions; Seismic Report may be required for properties in Seismic Zones 3 and 4; A Regulatory Compliance Report is required for licensed properties

Reserves

Tax and Insurance escrows are required; Repair and Replacement escrow funding is required, based on the greater of the engineer's Physical Needs Assessment or \$300 per unit per year

Greystone Application Fee

\$25,000; covers underwriting costs and third-party reports

Origination Fee

1% of the loan amount

Lender Legal Fees

Approximately \$25,000, varying with characteristics of the transaction

Good Faith Deposit

2% of the loan amount; 75% refundable at closing with 25% refunded at loan delivery

Timing

For new Borrowers, 60-90 days from commencement of the Pre-screen process to Closing; dependent on third party report timing and Borrower's submission of due diligence; This timing is reduced for repeat Borrowers

Rate Lock

Rate lock occurs after Borrower's acceptance of the commitment; Early Rate Lock and Extended Rate Lock features are also available, allowing the Borrower to lock a rate 45 to 180 days in advance of Closing