

Fannie Mae Student Housing Loan Program

GREYSTONE

Description

Non-recourse, fixed and adjustable rate financing for the acquisition or refinance of existing, stabilized Student properties where 40% or more, but less than 80%, of the units are leased to undergraduate or graduate students. A student with sufficient income to pay rent does not count toward the student concentration. Strong operators with proven records of accomplishment in student housing is required. Properties cannot be located on university-owned land (except for a Dedicated Student Housing property).

Dedicated Student Housing

- a) Near a campus with at least 10,000 student enrollment (greater than 50% full time);
- b) Within 2 miles of campus or on public / university transportation line, or on a college/university-owned transportation line
- c) have operated for at least 1 full school year (i.e. August / September through April / May), and be in its 2nd full year of operations
- d) At least 80% of all leases have 12 month lease terms with parental guaranties or be leased by students having the financial ability to pay for the required rent (whether through employment or other documented financial means)
- e) Property may be located on university-owned land if the Key Principal has had a minimum of 5 years of Dedicated Student Housing experience, and operates at least one other Dedicated Student Housing Property located on college- or university-owned land.

Loan Amount

Minimum \$3M

Loan Term

5-30 years

Amortization

Up to 30 years

Loan to Value Maximum

Maximum 75% of appraised value

Coverage Minimum

1.30x fixed rate / 1.05x adjustable rate

Prepayment

Flexible prepayment options are available. Loans may be voluntarily prepaid upon payment of yield maintenance for fixed-rate loans and declining prepayment premium for variable-rate loans.

Third Party Reports

MAI Appraisal, Zoning Report, Physical Needs Assessment, and Environmental Phase I Reports are required

Accrual

30 / 360 and Actual / 360

Escrows

Tax, insurance, and replacement reserves typically required and may vary depending on Tier and property condition

Application Fee

\$15,000 to cover third party reports and processing / underwriting costs

Assumability

Loans are typically assumable, subject to review and approval of the new borrower's financial capacity and experience.

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