# Fannie Mae Unfunded Forward Multifamily Affordable Housing Loan



### **Description**

Fannie Mae provides a 24- to 30-month forward commitment with or without rate lock prior to delivery of the permanent loan

### **Property Type**

Multifamily; new construction and rehabilitation

### **Loan Amount**

Minimum \$1 million

#### **Commitment Period**

24- or 30-month forward period, with one 6-month extension available at Lender's discretion

#### **Term**

Up to 30 years

#### **Amortization**

30 years

### **Debt Service Coverage**

Minimum 1.15x if LIHTC; 1.20x if other affordable

#### Loan to Value Maximum

90% if LIHTC: 80% if other affordable

#### **Borrower**

Domestic single asset borrowing entity is required

#### **Interest Rate**

Spread over applicable treasury as adjusted for loan term, amortization, DSC and LTV

#### **Rate Lock**

If applicable, rate lock typically occurs concurrently with construction loan closing at Borrower's request; Subject to loan committee approval

#### Guaranty

Non-recourse excluding customary carve-outs

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### **Underwriting**

Underwriting completed to Fannie Mae DUS standards; Organizational document review and credit due diligence applies

#### Conversion

Forward commitment converts to permanent loan when property reaches 90% occupancy for 90 days (minimum); Permanent loan amount may be changed based on NOI in place at time of underwriting, subject to applicable shortfall and/or breakage fees; Lender required to complete full underwriting in accordance with standard DUS Guide requirements prior to permanent loan closing

### **Application and Due Diligence Fees**

- \$2,500 non-refundable Application Fee to cover internal underwriting costs;
- \$12,500 Due Diligence Fee to cover third party reports

### **Origination Fee**

Fannie Mae requires a minimum origination fee equal to 1% of loan amount, can be reduced for loans over \$9 million; Origination fee can be charged "outside" of the interest rate as a separate fee, or it can be built into the rate

### Fannie Mae Standby Fee

Determined by Fannie Mae prior to rate lock; Call for current quotes

### **Delivery Assurance**

3% refundable deposit due prior to rate lock; 1% refundable deposit due if no rate lock option is selected

#### **Other Costs**

Borrower responsible for legal, Greystone monitoring and customary closing costs

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