

## FANNIE MAE DUS®

# Manufactured Housing Communities (MHC)

### BENEFITS

- Customized solutions.
- Competitive pricing.
- Certainty of execution.
- Speed in processing and underwriting.

ELIGIBILITY	<ul style="list-style-type: none"> <li>• Existing, stabilized, professionally managed MHC, with or without age restrictions, having a minimum of 50 sites.</li> <li>• Quality Level 3, 4, or 5 communities.</li> <li>• At least one Key Principal of the Borrower should have experience in operating MHC.</li> <li>• Lenders experienced in financing MHC and approved by Fannie Mae for participation.</li> </ul>
TERM	5 - 30 years.
AMORTIZATION	Up to 30 years.
INTEREST RATE	Fixed- and variable-rate options available.
MAXIMUM LTV	80%.
MINIMUM DSCR	1.25x.
PROPERTY CONSIDERATIONS	<ul style="list-style-type: none"> <li>• MHC may be either age-restricted or all age (family community).</li> <li>• The percentage of tenant-occupied homes generally may not exceed 35%.</li> <li>• Density is based on market norms and generally should not exceed 12 Manufactured Homes per acre for an existing community and 7 Manufactured Homes per acre for a new community.</li> <li>• With limited exceptions, all Manufactured Homes should conform to applicable Manufactured Housing HUD Code standards.</li> <li>• Leases with 2-year terms or longer cannot contain a tenant option to purchase the pad site.</li> <li>• Additional pricing incentives available for non-traditional MHC ownership forms (e.g., non-profit, government entity, or resident owned): <a href="https://multifamily.fanniemae.com/financingoptions/specialty-financing/manufactured-housing/nontraditional-ownership-pricing-incentive">https://multifamily.fanniemae.com/financingoptions/specialty-financing/manufactured-housing/nontraditional-ownership-pricing-incentive</a>.</li> </ul>
SUPPLEMENTAL FINANCING	Supplemental Mortgage loans are available.
PREPAYMENT AVAILABILITY	Flexible prepayment options are available. Mortgage Loans may be voluntarily prepaid upon payment of yield maintenance for fixed-rate loans and graduated prepayment for variable-rate Mortgage loans.
RATE LOCK	30- to 180-day commitments. Borrowers may use the Streamlined Rate Lock option.
ACCRUAL	30/360 and Actual/360.
RECOURSE	Non-recourse execution with standard carve-outs for “bad acts” such as fraud and bankruptcy.
ESCROWS	Funding of tax and insurance escrows depend on leverage level. Replacement reserve escrow is typically not required.
THIRD-PARTY REPORTS	Standard third-party reports required, including Appraisal, Phase I Environmental Site Assessment, and Property Condition Assessment.
ASSUMPTION	Mortgage Loans are typically assumable, subject to review and approval of the new borrower's financial capacity and experience.
MINIMUM UNDERWRITTEN VACANCY/COLLECTION LOSS	Minimum 5% economic vacancy assumption.