

FANNIE MAE DUS®

Standard FHA Risk Sharing Execution

BENEFITS

- Highly competitive pricing for MAH transactions.
- Certainty and speed of execution.
- One stop customer service – Borrowers only need to work with their Fannie Mae Lender who will handle the Mortgage Loan execution.

ELIGIBILITY	<ul style="list-style-type: none"> • Multifamily Affordable Housing properties with income and rent restrictions effective the entire loan term. • Immediate and Forward Commitment executions.
LOAN AMOUNT	No minimum or maximum; however, Mortgage Loans over \$50 million require HUD consent.
TERM	15 – 40 years.
AMORTIZATION	Full amortization up to 40 years; Balloon structures capped at 30-year amortization.
INTEREST RATE	Fixed rate.
INTEREST ONLY	Considered on an exception basis.
MAXIMUM LTV	Up to 90% “as stabilized.”
MINIMUM DSCR	1.15x – 1.20x “as stabilized.”
PROPERTY CONSIDERATIONS	The rent and income restrictions applicable to the property must remain in effect for at least the term of the Mortgage loan.
RATE LOCK	30- to 180-day commitments.
PREPAYMENT AVAILABILITY	Flexible prepayment options available.
SUBSIDY LAYERING REVIEW	A subsidy layering review should be obtained when required by federal law, noting that FHA Risk Sharing loans are considered a source of federal government assistance.
RECOURSE	Non-recourse execution with standard carve-outs for “bad acts” such as fraud and bankruptcy.
ESCROWS	Replacement reserve, tax, and insurance escrows are typically 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.