

FANNIE MAE DUS®

Student Housing

Learn about financing options for Student Housing properties where greater than 40% of the units are leased to undergraduate or graduate students.

BENEFITS

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

ELIGIBILITY	<ul style="list-style-type: none"> • Existing, stabilized properties that cater to a student tenant base because of design, tenancy, or location. • Strong operators with proven records of accomplishment in student housing. • Properties rented on a per-unit or per-bed basis.
TERM	5 - 30 years.
AMORTIZATION	Up to 30 years.
INTEREST RATE	Fixed- and variable-rate options available.
MAXIMUM LTV	75%.
MINIMUM DSCR	1.30x for fixed-rate. 1.05x for variable-rate, subject to a fixed-rate test.
PROPERTY CONSIDERATIONS	Cannot be located on university-owned land (except for a Dedicated Student Housing Property as described below).
SUPPLEMENTAL FINANCING	Supplemental Loans are available.
PREPAYMENT AVAILABILITY	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.
RATE LOCK	30- to 180-day commitments. Borrowers may lock a rate with the Streamlined Rate Lock option.
ACCRUAL	30/360 and Actual/360.
RECOURSE	Non-recourse execution is available 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	Loans are typically assumable, subject to review and approval of the new borrower's financial capacity and experience.

In its prequalifying review, Lument will attempt to estimate both the loan amount and the fees and costs associated with the transaction. Actual loan amounts and actual fees and expenses may vary from the prequalifying estimates. A prequalifying estimate is not a commitment to make a loan.

ORIX Real Estate Capital Holdings, LLC, d/b/a Lument, is a subsidiary of ORIX Corporation USA. Securities, Investment Banking and Advisory Services provided through OREC Securities, LLC, d/b/a Lument Securities.

DEDICATED STUDENT HOUSING PROPERTIES

Dedicated Student Housing Properties (i.e., 80% or more units leased to undergraduate or graduate students) require additional underwriting documentation. In addition, a Dedicated Student Housing Property must:

- be near a campus with at least 10,000 student enrollment (greater than 50% full time);
- be within 2 miles of campus boundary line or on a college/university-owned transportation line;
- 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; and
- At least 80% of all leases have 12 month leases 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).
- A Dedicated Student Housing 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.