

## FANNIE MAE DUS<sup>®</sup> MULTIFAMILY

### Delegated Lender Affiliate (DLA) Mezzanine Financing

Lument is an approved Fannie Mae Delegated Lender Affiliate (DLA) that underwrites, funds and services mezzanine loans on multifamily communities nationwide. As an affiliate of Lument, underwriting and processing the loan is coordinated with the Fannie Mae DUS<sup>®</sup> mortgage loan, providing increased leverage and a streamlined process.

#### FEATURES

- Non-Recourse, with the exception of environmental indemnity and Lument's standard carve-outs.
- Capital improvements may be included.
- Fixed interest rate, current pay only.

<b>LOAN AMOUNTS</b>	\$1,000,000 and up. Must be made in conjunction with a fixed rate Fannie Mae DUS <sup>®</sup> mortgage loan of \$10,000,000 or more.
<b>TERM</b>	Term of up to 10 years, coterminous with the senior Fannie Mae DUS <sup>®</sup> mortgage loan.
<b>AMORTIZATION</b>	Typically Interest Only. If amortization is structured, it will follow the senior Fannie Mae DUS <sup>®</sup> mortgage loan in terms of interest-only period (if any) and up to 30 years amortization thereafter.
<b>PREPAYMENT</b>	Declining annual prepayment premium schedule. No prepayment premium is charged in the last 90 days of Loan Term.
<b>LOAN TO VALUE RATIOS</b>	Up to 85%.
<b>DEBT COVERAGE RATIOS</b>	1.10x minimum combined DSCR based on an amortizing first mortgage and the DLA Mezzanine loan.
<b>MARKETS</b>	Primary and Secondary U.S. MSAs.
<b>SUPPLEMENTAL MORTGAGE</b>	At any time after the first year of the senior Fannie Mae DUS <sup>®</sup> mortgage loan term, Borrower may apply for a Fannie Mae DUS <sup>®</sup> Supplemental mortgage loan, the proceeds of which will first be used to retire the Mezzanine Financing.
<b>APPLICATION FEE/DEPOSITS</b>	Borrower, Sponsor and Key Principal(s) shall be responsible for all expenses incurred by Lument in connection with the DLA Mezzanine loan, including legal, out of pocket and other third party expenses. An application fee and deposit will be due upon engagement.
<b>PRICING</b>	The mezzanine loan has a competitive fixed rate, that when blended with the Fannie Mae DUS <sup>®</sup> first mortgage rate offers attractive all-in pricing. Fees and interest rates are quoted daily. Contact your Lument originator for specific pricing.
<b>ELIGIBLE PROPERTIES</b>	Stabilized or near stabilized multifamily properties (potentially in need of renovation not to exceed \$5,000 per unit) with at least 5 units (typically over 100 units), a proven location, and experienced owner and management.
<b>MEZZANINE BORROWER:</b>	Single asset, single purpose entity which owns 100% of the Fannie Mae DUS <sup>®</sup> mortgage loan borrower.
<b>REQUIREMENTS</b>	<ul style="list-style-type: none"> <li>• Escrow Accounts for insurance, real estate taxes, special assessments.</li> <li>• Replacement reserve account.</li> <li>• Any immediate repairs needed must be completed within 12 months of loan closing.</li> </ul>

*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.*