

FANNIE MAE®

Sponsor-Dedicated Workforce (SDW) Housing

BENEFITS

- Creation and preservation of workforce housing affordable to households earning 80% – 120% of area median income (AMI).
- Flexible loan terms.
- Competitive pricing.
- Supports workforce housing providers.
- Speed in processing and underwriting, with simple Loan Document modifications.

ELIGIBILITY	<ul style="list-style-type: none"> • Existing, stabilized Conventional properties. • A minimum of 20% of units must be made affordable to households earning up to 80% of AMI or, in certain metros, up to 100% –120% AMI. • Rent affordability levels are identified and in place by the Mortgage Loan Origination Date. • The Property has 12 months from the Mortgage Loan Origination Date to comply with the SDW rent restrictions. The Lender is responsible for notifying Fannie Mae of noncompliance.
TERM	5 - 30 years.
AMORTIZATION	Up to 30 years.
INTEREST RATE	Fixed- and variable-rate options available. Structured ARM Loans with a lockout period of less than two years are not eligible.
MAXIMUM LTV	80%.
MINIMUM DSCR	1.25x.
LOAN DOCUMENT REQUIREMENTS	<ul style="list-style-type: none"> • Modifications to Loan Agreement (Sponsor-Dedicated Workforce Housing) (Form 6271.SDW); • Modifications to Security Agreement (Sponsor-Dedicated Workforce Housing) (Form 6325) • Supplemental Annual Loan Agreement Certification (Form 6620.Supplemental.SDW)
ANNUAL COMPLIANCE REQUIREMENTS	The Servicer manages the affordability requirements, including verification of the SDW rent restrictions. The Borrower must annually submit a certification of compliance via the Supplemental Annual Loan Agreement Certification (Form 6620.Supplemental.SDW) and rent rolls to the Servicer.
EXECUTION	MBS.
SUPPLEMENTAL FINANCING	Supplemental Mortgage Loans are available.
PREPAYMENT AVAILABILITY	Flexible prepayment options are available, including yield maintenance and declining prepayment premium. Mortgage Loans may be voluntarily prepaid upon payment of the required Prepayment Premium per the Loan Documents.
RATE LOCK	30- to 180-day Rate Lock periods are available.
ACCRUAL	30/360 and Actual/360.
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.

For important disclosures about Lument and the information found in this term sheet [click here](#).

ASSUMPTION

Mortgage Loans are typically assumable, subject to review and approval of the new borrower's financial capacity and experience.

ASSET MANAGEMENT

The Property must comply with the SDW rent restrictions within 12 months of the Mortgage Loan Origination Date. The Lender is responsible for notifying Fannie Mae of noncompliance.
