

FANNIE MAE DUS®

Unfunded Forward Commitment for 4% LIHTC Properties

BENEFITS

- Protection from interest rate volatility by locking the interest rate and other key provisions prior to construction.
- Single asset security allows for customized loan structures.
- Certainty and speed of execution.
- MTEB execution offers optional reimbursement of certain costs of issuance up to 75bps.

ELIGIBILITY	<ul style="list-style-type: none"> • LIHTC new construction and Properties undergoing substantial rehabilitation, including preservation and rural transactions • Lenders approved to deliver forward commitments under Fannie Mae's Multifamily Affordable Housing product line.
INTEREST RATE	Fixed- or variable-rate.
GOOD FAITH DEPOSIT	LIHTC new construction and Properties undergoing substantial rehabilitation, including preservation and rural transactions • Lenders approved to deliver forward commitments under Fannie Mae's Multifamily Affordable Housing product line.
FORWARD RATE LOCK	24 to 36 month commitments. Up to two delegated six-month extension available.
FORWARD COMMITMENT STANDBY FEE	15 bps per year paid upfront prior to Rate Lock.
CONVERSION TO PERMANENT MORTGAGE LOAN	The permanent Mortgage Loan will close upon project completion and the issuance of certificates of occupancy for all units and at least 90% occupancy for 90 consecutive days. The permanent Mortgage Loan must meet Fannie Mae's underwriting requirements.
ADDITIONAL CONSIDERATIONS	During the construction phase, the MTEB execution requires the bonds to be cash collateralized with proceeds of a side-by-side construction loan and bond loan. The MBS will be delivered as bond collateral after conversion, following the MTEB delivery guidelines.
TERM	10 to 30 years.
DELIVERY TOLERANCE	The original principal amount of the permanent Mortgage Loan must not be greater than 110% of the amount of the Unfunded Forward Commitment, subject to Maximum LTV and Minimum DSCR constraints.
AMORTIZATION	Up to 35 years.
MAXIMUM LTV	90% for Mortgage Loans secured by a Property with at least 90% of units meeting affordability requirements. 85% for a Property with less than 90% of units meeting affordability requirements. 80% for refundings.
MINIMUM DSCR	1.15x for Mortgage Loans secured by a Property with at least 90% of units meeting affordability requirements. 1.20x for refundings and properties with less than 90% of units meeting affordability requirements.