# FANNIE MAE DUS®

## Streamlined Treasury Lock

### BENEFITS

- Improve certainty of execution by locking the Index and holding the Investor Spread and Total Credit Fees (Guaranty Fee and Servicing Fee) before completion of full underwriting.
- Lender and Borrower retain the flexibility to use either the Streamlined Rate Lock or standard Rate Lock before obtaining a Fannie Mae Commitment.

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| **ELIGIBILITY** | • Available only for fixed-rate Mortgage Loans.<br>• Intended for repeat Sponsors that have transacted with Fannie Mae in the last 24 months.<br>• The Streamlined Treasury Lock is not available for:<br>  • per Form 4660, any:<br>    • Enhanced Pre-Review Mortgage Loans, or<br>    • Mortgage Loans with Pre-Review ReSubmission requirements;<br>  • any Mortgage Loan with:<br>    • a Limited Experience Owner;<br>    • authorization conditions per the Quote Letter;<br>    • Preferred Equity in the Borrower's ownership structure; and<br>    • Mortgage Loans with a nonstandard Prepayment Premium Option;<br>  • Near Stabilized Properties with a stabilization period greater than 120 days;<br>  • Seniors Housing Mortgage Loans;<br>  • Small Mortgage Loans; and<br>  • Credit Facility initial advances (borrow-ups/additions are eligible). |
| **LOAN AMOUNT** | Minimum loan amount of $9 Million. |
| **STREAMLINED TREASURY LOCK PERIOD** | The Streamlined Treasury Lock will remain in effect through the applicable Quote Letter expiration date for the transaction. The Lender and Borrower must obtain a full Rate Lock and Fannie Mae Commitment on or before the applicable Quote Letter expiration date. |
| **SPREAD HELD THROUGH RATE LOCK** | Prior to obtaining the Streamlined Treasury Lock, the Lender is required to obtain an interest rate quote for the Mortgage Loan, which will include the Total Credit Fees, consisting of the Guaranty Fee and Servicing Fee. This quote will be held for the duration of the Streamlined Treasury Lock period. The final Gross Note Rate may be adjusted if the Lender's final underwriting results in a material change to the preliminary assumptions upon which the interest rate quote was made, or if any change occurs to the Pricing and Underwriting Tier at which the interest rate quote was made. |
| **REQUIRED STREAMLINED TREASURY LOCK DEPOSIT** | 2% of the loan amount being locked at the time of the Streamlined Treasury Lock, or such greater amount as may be required by Fannie Mae. |
| **RATE LOCK TOLERANCE** | The Rate Lock amount of the Mortgage Loan may be 10% higher or lower than the Streamlined Treasury Lock amount without incurring any breakage fee. |
| **DOCUMENTATION** | The Lender, Sponsor, Borrower, Key Principal, and Guarantor known when requesting the Streamlined Treasury Lock must enter into a standard Streamlined Treasury Lock Agreement (Form 6430.STLA). Also, the Lender must deliver the Multifamily Required Trade Information for Cash or MBS Mortgage Loans (Form 4097).<br>All Guide requirements for entering into either the Streamlined Rate Lock or standard Rate Lock must be satisfied prior to the Quote Letter expiration date. |
| **DEFAULT** | For any Streamlined Treasury Lock, the failure of the Borrower and Lender to enter into either a subsequent Streamlined Rate Lock or standard Rate Lock by the Quote Letter expiration date, including the delivery of all required underwriting and data per the Guide, will be a default under the Streamlined Treasury Lock Agreement, and will result in breakage fees. |

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| **BREAKAGE FEES** | For any Streamlined Treasury Lock, the standard breakage fee for any failure to obtain a Rate Lock will be equal to the greater of (but with a maximum breakage fee not to exceed the Streamlined Treasury Lock Deposit):<br>• 0.5% of the Streamlined Treasury Lock amount, or<br>• all costs, expenses, and/or losses incurred by Fannie Mae in connection with entering into, maintaining, or unwinding hedge positions executed in reliance on the Streamlined Treasury Lock. |
| **PRELIMINARY UNDERWRITING REQUIREMENTS** | As a condition to entering into the Streamlined Treasury Lock, Lender must, at a minimum:<br>• Identify the Sponsor, Borrower (if formed), Guarantor, and Key Principal as required per the Guide, and verify each Borrower party through ACheck; and<br>• perform sufficient underwriting (including the determination of preliminary NCF, NOI, and Property valuation analysis) to size the Mortgage Loan and confirm eligibility for issuing a Fannie Mae quote based on data that reflects the Borrower's current and expected financial and Property conditions. |
| **NON-TRANSFERABILITY** | The Streamlined Treasury Lock is Property-specific. Once the Index is locked, it cannot be used for another Mortgage Loan or Property. |