



FANNIE MAE MULTI-FAMILY COMMERCIAL

Streamlined underwriting for long-term fixed rate and variable rate financing for multifamily properties up to \$5 million.

Loan Amount

No Minimum Loan Amount

Loan Terms

Balloon loan terms of 5, 7, 10, or 15 years with amortizing terms up to 30 years, fully amortizing loans with terms up to 30 years, or hybrid ARM loan terms of 30 years with 7 or 10 years fixed

Amortization

25 or 30 years, based on the age of property and condition

Prepayment Penalty

Fixed Rate: Yield maintenance formula with a 1% minimum (Declining Percentage Fee schedule is available upon request)

Adjustable Rate: 1% or Declining Percentage Fee Schedule

Recourse

Non-recourse lending in select large markets; subject to Lender's discretion

Debt Service Coverage

1.25x minimum DSCR

Loan to Value

Up to 75% maximum LTV for refinances and 80% for acquisitions

Subordinate Financing

Supplemental mortgages are available after the first 12 months of the loan term or loan assumption



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Occupancy

Properties must demonstrate a minimum occupancy of 90% for a 12 month period prior to commitment, with 90% for 90 days available on a case-by-case basis

Assumability

Non-recourse loans are assumable with the Lender's consent and a 1% fee

Taxes and Insurance Escrows

Required for Tier II business and generally not required for Tiers III and IV

Net Worth and Liquidity

Net worth equal to the loan amount and liquidity equal to 6 months P&I required

Replacement Reserve Escrows

Generally not required for qualifying Borrowers

Rate Lock

Rate lock occurs after commitment is issued; The early rate lock option is also available for a fixed rate and hybrid ARM loans

Fees

Due Diligence Fee: \$4,500 – \$8,500 non-refundable fee for 3rd party reports and processing;
Fees due at application apply to fixed-rate loans and may vary by market;
Fees may be made refundable at closing with a corresponding spread increase;
Rate Lock Deposit: Good Faith Deposit of 1% to 2% due upon acceptance of commitment and is refundable upon closing

Timing

45-60 days from complete application to commitment



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