

Unfunded Forward Commitment 9% LIHTC

Offers an unfunded forward commitment to issue an MBS upon completion of construction and conversion to a permanent mortgage loan for multifamily affordable properties.

BENEFITS	<ul style="list-style-type: none"> • 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.
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.
FORWARD RATE LOCK PERIOD	24- or 30-month commitments. One delegated six-month extension available.
LOAN TO VALUE	90%.
LOAN TERM	Up to 30 years.
AMORTIZATION	Up to 35 years.
DEBT SERVICE COVERAGE RATIO	1.15x.
INTEREST RATE	Fixed Rate.
CONVERSION TO PERMANENT REQUIREMENTS	<p>The permanent loan will close upon project completion with:</p> <ul style="list-style-type: none"> • Certificates of occupancy for all units. • 90% Occupancy for 90 days. <p>The permanent loan must meet Fannie Mae's underwriting requirements.</p>
GOOD FAITH DEPOSIT	1% of the loan amount, due at issuance of the Forward Commitment, refundable upon conversion.
DELIVERY TOLERANCE	+5% and -10% is available.
FORWARD STANDBY FEE	0.10% paid upfront prior to rate lock and 0.05% for the 6-month extension.
ADDITIONAL CONSIDERATIONS	Second lien Delivery Assurance Note and Mortgage are necessary if required by Fannie Mae or the Bond Investor.

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