

# Sponsor-Dedicated Workforce (SDW)

<b>BENEFITS</b>	<ul style="list-style-type: none"> <li>• Lower interest rates, competitive pricing and flexible loan terms.</li> <li>• Speed in processing and underwriting, with simple Loan Document modifications and straightforward annual rent monitoring.</li> <li>• Can be combined with Fannie Mae Green Financing.</li> </ul>
<b>ELIGIBILITY</b>	<ul style="list-style-type: none"> <li>• Existing, stabilized Conventional properties.</li> <li>• 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.</li> <li>• The identified units will have workforce housing rents for the Mortgage Loan term.</li> <li>• Rent affordability levels are identified and in place by the Mortgage Loan Origination Date.</li> </ul>
<b>TERM</b>	5 – 30 years.
<b>AMORTIZATION</b>	Up to 30 years.
<b>INTEREST RATE</b>	Fixed- and variable-rates available. Structured ARMs with a lockout period less than two years are not eligible.
<b>MAXIMUM LTV</b>	80%.
<b>MINIMUM DSCR</b>	1.25x.
<b>LOAN DOCUMENT REQUIREMENTS</b>	<ul style="list-style-type: none"> <li>• Modifications to Loan Agreement (Sponsor-Dedicated Workforce Housing) (Form 6271.SDW); and</li> <li>• Modification to Security Agreement (Sponsor Dedicated Workforce Housing) (Form 6325).</li> </ul>
<b>ANNUAL COMPLIANCE REQUIREMENTS</b>	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.
<b>EXECUTION</b>	MBS.
<b>SUPPLEMENTAL FINANCING</b>	Supplemental loans are available.
<b>PREPAYMENT AVAILABILITY</b>	Mortgage Loans may be voluntarily prepaid upon payment of the applicable Prepayment Premium, either Yield Maintenance or Graduated Prepayment Premium.
<b>RATE LOCK</b>	30- to 180-day Rate Lock periods are available.
<b>ACCRUAL</b>	30/360 and Actual/360.
<b>ESCROWS</b>	Replacement reserve, tax and insurance escrows are typically required.
<b>THIRD-PARTY REPORTS</b>	Standard third-party reports required, including Appraisal, Phase I Environmental Site Assessment and Property Condition Assessment.
<b>ASSUMPTION</b>	Loans are typically assumable, subject to review and approval of the new Borrower's financial capacity and experience.
<b>ASSET MANAGEMENT</b>	The Property must comply with the SDW rent restrictions within 12 months of the Mortgage Loan Originations Date. The Lender is responsible for notifying Fannie Mae of noncompliance.

[NEWPOINT.COM](http://NEWPOINT.COM)



This sheet sets out the general guidelines of a loan program and is designed solely as an aid to prospective borrowers and other clients. It does not represent or imply a contract or a commitment to lend funds. A commitment to lend funds may only be made by a written letter issued by NewPoint to a prospective borrower. This term sheet is subject to change at any time without notice at the sole discretion of NewPoint Real Estate Capital LLC. Arizona Commercial Mortgage Banker License CBK - 0926535; California Finance Law License 603 F812. California commercial real estate broker activities are conducted through NewPoint Real Estate Capital Corporation (California Department of Real Estate Broker License No. 01995692, which is a wholly owned subsidiary of NewPoint Real Estate Capital LLC. New York Real Estate Broker Company License No. 10991236549. To view NewPoint's complete licensing information please visit [newpoint.com/licensing-disclosures](http://newpoint.com/licensing-disclosures).