

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. • 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.
FORWARD RATE LOCK PERIOD	24-to-36-month commitments. One delegated six-month extension available.
LOAN TO VALUE	90%.
LOAN TERM	10 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	10 bps paid upfront prior to Rate Lock.
ADDITIONAL CONSIDERATIONS	Second lien Delivery Assurance Note and Mortgage are necessary if required by Fannie Mae or the Bond Investor.

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