

## DUS Fixed Rate Program

<b>Description</b>	Non-recourse, fixed rate financing for the acquisition or refinance of stabilized multifamily rental or cooperative properties.
<b>Loan Amount</b>	Minimum \$3,000,000.
<b>Loan Terms</b>	5, 7, 10 or 15 year balloon; 20, 25 or 30 year fully amortizing.
<b>Amortization</b>	25 or 30 years; Interest Only may be available based on leverage and loan term.
<b>Loan-to-Value Maximum</b>	Maximum 80% of appraised value, or, if a property has been purchased within the past 12 months, 80% of lower of appraisal or purchase price (and up to 3% of closing costs) plus value added renovation.
<b>Coverage Minimum</b>	1.25x minimum
<b>Borrower</b>	Domestic single asset borrowing entity is required.
<b>Interest Rate</b>	Risk-based "Tier" pricing, varying with LTV and DSC ratios.
<b>Prepayment</b>	Yield Maintenance with no lockout, Defeasance, or fixed step-down prepayment schedules.
<b>Third Party Reports</b>	MAI appraisal, Physical Needs Assessment, and Environmental Phase I reports are required; Seismic Report is required for properties in Seismic Zone 4.
<b>Reserves</b>	Tax and insurance escrows are required. Funded Repair and Replacement escrow is required, based on engineer's Physical Needs Assessment. For loans at less than 65% of value with no deferred maintenance, funding of repair and replacement reserve can be waived, at lender's discretion.
<b>Application Fee</b>	Approximately \$15,000, to cover third party reports and processing/underwriting costs.

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<b>Origination Fee</b>	Fannie Mae requires a minimum origination fee equal to one percent of loan amount for loans of \$9 Million or less. Minimum fees decrease with increasing loan size. Origination Fee can be charged “outside” of the interest rate as a separate fee, or it can be built into the rate.
<b>Legal Fees</b>	\$8,000 to \$12,000, varying with characteristics of the deal.
<b>Timing</b>	45 – 60 days from application to commitment, dependent on 3rd party report timing and borrower’s submission of due diligence.
<b>Rate Lock</b>	Typically, lock occurs after commitment is issued; Early Rate Lock option is available, allowing rate lock within 3-4 weeks of application.
<b>Assumability</b>	Loan is assumable, subject to lender approval of proposed replacement borrower. Fees include one percent assumption fee, part of which is paid to Fannie Mae, and a \$3,000 processing fee to cover lender’s underwriting expenses.