

## FANNIE MAE®

### Credit Facility

Learn about the Credit Facility execution that allows borrowers to arrange flexible financing terms for a portfolio of properties.

#### BENEFITS

- MBS execution that allows ultimate flexibility in portfolio management.
- Allows opportunistic sale or release of properties.
- Expansion feature allows easy addition of properties.
- Recognize portfolio improvements with first lien borrow-ups.
- Retain favorable interest rates with property substitutions.
- Ladder maturities with multiple tranches of debt.
- Pre-negotiated loan documents provide for certainty of execution and fast closings for facility expansions.

<b>ELIGIBILITY</b>	<ul style="list-style-type: none"> <li>• New or repeat Fannie Mae Borrowers.</li> <li>• Available for all asset classes.</li> </ul>
<b>CREDIT FACILITY SIZE</b>	Minimum initial advance of \$100 million with unlimited expansion capacity.
<b>TERM</b>	Flexible Credit Facility and loan terms. Generally, Credit Facility term exceeds initial loan terms by 5 years.
<b>INTEREST RATE</b>	Fixed, variable, or a combination of fixed and variable tranches. Variable-rate advances may be converted to fixed-rate. An Interest Rate Cap or other Interest Rate Hedge is generally required for variable-rate advances.
<b>AMORTIZATION</b>	Interest-only and amortizing available, based upon property and pool performance.
<b>MAXIMUM LTV</b>	Up to 75%, depending upon asset class and product type. Credit Facilities that only include Multifamily Affordable Housing Properties allow up to 80%.
<b>MINIMUM DSCR</b>	Generally starting at 1.25x depending upon asset Class and product type. Multifamily Affordable Housing Properties may start at 1.20x.
<b>STRUCTURING OPTIONS/ FEATURES</b>	<ul style="list-style-type: none"> <li>• No rebalancing required.</li> <li>• No unused capacity fees.</li> </ul> <p>All structuring options/features subject to the terms of the Master Credit Facility Agreement.</p>
<b>PREPAYMENT AVAILABILITY</b>	Flexible prepayment options available, including partially pre-payable debt, yield maintenance and declining prepayment premium.
<b>BORROWER ENTITY</b>	A single purpose, bankruptcy-remote entity is required for each borrower and any general partner, managing member, or sole member that is an entity. Borrowers must have common sponsorship.
<b>RATE LOCK</b>	30- to 180-day commitments.
<b>TIMING OF RATE LOCK AND CLOSING</b>	The timeframes for Rate Lock and closing are subject to the number of properties, property-specific issues, locations, complexity of ownership issues, complexity of closing or execution requirements, and the level of document negotiation. The minimum closing timeframe for a new Credit Facility is 60 days from signed term sheet/ loan application.
<b>RECOURSE</b>	Non-recourse execution with standard carve-outs for “bad acts” such as fraud and bankruptcy.

For important disclosures about Lument and the information found in this term sheet [click here](#).

<b>ESCROWS</b>	Replacement reserve, tax, and insurance escrows are determined based on the merits of the transaction.
<b>THIRD-PARTY REPORTS</b>	Standard third-party reports required, including Appraisal, Phase I Environmental Site Assessment, and Property Condition Assessment.
<b>ASSUMPTION</b>	Assumption of the entire facility is permitted upon satisfaction of the requirements of the Master Credit Facility Agreement.