



**MMA
FINANCIAL**

A MuniMae Company

Fannie Mae DUS Bond Credit Enhancement - Fixed or Variable

Eligible Properties

Affordable multifamily; new construction or substantial rehabilitation for new money issues, refunding issues or credit substitutions.

Loan Amount

\$5 million minimum.

Equity Capital

Available at competitive terms.

Credit Enhancement

Fannie Mae Credit Facility to provide AAA-rated credit enhancement.

Term

Construction - up to 30 months

Permanent - 18 to 35 years

Amortization

30 to 35 years

Debt Service Coverage

Standard minimums: 1.00 for Variable Rate at artificial underwriting interest rate, 1.15 for Fixed Rate, 1.20 for mixed-income

Loan to Value

90% maximum for Fixed Rate (85% of value adjusted for the below market financing). For mixed-income properties and Variable Rate, 85% of value (80% of value adjusted for the below market financing).

Gap Funding

Permitted subject to MMA Financial guidelines, due diligence and underwriting. MMA Financial will coordinate with the syndicator.

Guaranty

Construction loan recourse for project completion and loan repayment. MMA Financial can arrange the construction phase collateral letter of credit for a reasonable fee. Permanent loan non-recourse, excluding customary carve-outs.

Variable Rate

Priced off Securities Industry and Financial Markets Association ("SIFMA") Municipal Swap Index. Interest Rate Swap or Interest Rate Cap required to hedge against variable rate risk.

Subordinate Financing

Subordinate mortgages permitted subject to secondary market loan guidelines, completion of due diligence and underwriting.

Occupancy

Properties must be 90% physically occupied for the 90-day period prior to conversion.

Transaction Costs

Due Diligence Fee: Typically, \$20,000 to \$25,000. Covers cost of third-party reports (appraisal, market feasibility, phase I environmental and plan & cost review) and lender due diligence.

Other Costs: Borrower responsible for legal fees and customary closing costs.

Commitment Fee: Negotiable & Competitive



**Affordable Rental Housing
TERM SHEET**

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Integrity. Innovation. Service.