

FANNIE MAE MHC SMALL LOAN PROGRAM

Fannie Mae's Multifamily Mortgage Business provides financing options for residential real estate developments where the Borrower owns the Manufactured Housing Community (MHC) sites and associated common amenities and infrastructure.

LOAN AMOUNT	Up to \$6 million nationwide.	ELIGIBILITY <ul style="list-style-type: none"> Existing, stabilized, professionally managed MHC, with or without age restrictions, having a minimum of 50 sites Quality Level 3, 4, or 5 communities At least one Key Principal of the Borrower should have experience in operating MHC Lenders experienced in financing MHC and approved by Fannie Mae
TERM	5 - 30 years.	
AMORTIZATION	Up to 30 years.	
INTEREST RATE	Fixed- and variable-rate options available.	
MAXIMUM LTV	80%	
MINIMUM DSCR	1.25x.	
PROPERTY CONSIDERATIONS	<ul style="list-style-type: none"> The percentage of affiliate-owned homes should not exceed 25%, although higher rates may be accepted on a case-by-case basis Density shall not exceed 12 Manufactured Homes per acre for an existing MH Community and 7 Manufactured Homes per acre for a new MH Community All Manufactured Homes should conform to applicable Manufactured Housing HUD Code standards. Leases cannot contain the option to purchase the pad site. Public utilities preferred. Private utilities may be accepted on a case-by-case basis. 	BENEFITS <ul style="list-style-type: none"> Lower cost of execution Competitive rates Delegated model provides lenders and borrowers speed of execution Team with experience and scale to support this unique market Single asset security allows the most flexibility in the market Extensive experience serving the small loan market Streamlined third-party reports
SUPPLEMENTAL FINANCING	Supplemental Mortgage Loans are available.	
PREPAYMENT AVAILABILITY	Flexible prepayment options available, including yield maintenance and declining prepayment premium.	
RATE LOCK	30- to 180-day commitments. Borrowers may lock a rate with the Streamlined Rate Lock option.	
ACCRUAL	30/360 and Actual/360.	
RECOURSE	Non-recourse execution is available with standard carve-outs for "bad acts" such as fraud and bankruptcy.	
ESCROWS	Lenders are delegated the authority to waive the Replacement Reserve for certain transactions. Replacement Reserve, tax, and insurance escrows are typically required for higher leverage transactions.	
THIRD PARTY REPORTS	Streamlined inspection and Environmental Screening using the ASTM E-1528-14 protocol.	
ASSUMPTION	Non-recourse loans are typically assumable, subject to review and approval of the new borrower's financial capacity and experience.	