LMD
CAPITAL PARTNERS

FANNIE MAE

Fannie Mae Near-Stabilization Loan

Permanent financing for newly constructed or recently renovated conventional and affordable apartment communities that are expected to reach stabilized occupancy within 120 days of rate lock.

Indicative Terms

LOAN SIZE	$10,000,000 minimum.
LOAN DURATION	5-, 7-, 10- or 12-year options.
AMORTIZATION PERIOD	5 to 30 years.
INTEREST RATE STRUCTURE	Fixed and variable options are offered.
LTV / DSCR REQUIREMENTS	Maximum LTV must be tier compliant. At the Tier II level this is 75% of as-stabilized value, with a minimum underwritten DSCR of 1.25x, or 1.15x for Multifamily Affordable Housing.
INITIAL INTEREST-ONLY PERIOD	Monthly interest-only payments for the first 12 months of the term.
OCCUPANCY REQUIREMENT	Minimum 75% physical occupancy at rate lock.
PREPAYMENT OPTIONS	Yield maintenance and declining prepayment flexibility.
RECOURSE	Non-recourse with standard carve-outs for fraud and bankruptcy.
ESCROWS	Replacement reserve, tax and insurance escrows are required.
RATE LOCK	30- to 120-day commitment windows, with streamlined options available.
ASSUMPTION	Generally assumable, subject to review of the incoming borrower's financial capacity and experience.
APPLICATION FEE	Quoted per transaction.
ORIGINATION FEE	Quoted per transaction.
LEGAL FEES	Quoted per transaction.

Eligible Properties & Sponsors

Newly constructed or recently renovated conventional and Multifamily Affordable Housing communities in strong markets nationwide, still in lease-up at rate lock. Sponsors must have prior lease-up experience on comparable assets and the balance sheet to carry the property to stabilization.

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