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**BOND CREDIT ENHANCEMENT**

As a Special Fannie Mae Delegated Lender under the Fannie Mae Delegated Underwriting and Servicing (DUS) program, Enterprise offers bond credit enhancement for the acquisition, new construction and substantial rehabilitation of affordable and market-rate multifamily housing. Enterprise offers Fannie Mae Bond Credit Enhancement, which provides credit enhanced payment of the principal and interest on the bonds, and in turn is used to make the required payments to the bondholders. Credit enhancement is provided for up to 30 years. Enterprise's delegated lending status allows us to provide a streamlined underwriting process, flexible financing terms, and the most competitive pricing on Fannie Mae financing solutions. Our Multifamily Mortgage Finance group has expertise in utilizing both tax-exempt bond credit enhancement, low-income housing tax credits and conventional lending products in layered financing deals.

**AFFORDABLE PROPERTIES** All properties should be affordable in nature. Tax credits or subordinate debt is preferred.

**MARKET-RATE PROPERTIES** There are no income restrictions on market-rate properties.

**LOAN AMOUNTS** Minimum \$1.5 million.

**COMMITMENT TERMS** 30-60 days for immediate funding.  
18-24 months from date of rate lock for forward commitments.

**AMORTIZATION** 25- or 30-year amortization and 18 to 30-year terms to be determined at underwriting.

**DEBT SERVICE COVERAGE** Minimum of 1.25:1 for market-rate transactions.  
Minimum of 1.15:1 for 4% and 501(c)(3).

**LOAN TO VALUE** Maximum of 90%.

**PROGRAM MECHANICS—FORWARD COMMITMENT** Fannie Mae does not assume construction or lease-up risk, but is able to forward commit on a bond amount and interest rate prior to construction, by advancing funds to an approved construction lender and relying upon the credit of the construction lender for interest payments during construction and the principal at commitment expiration if the property fails to qualify for conversion to a permanent loan. The interest rate during construction is lower than that of the permanent loan, reflecting the construction lender's credit and the fact that no servicing fee is payable to the DUS lender during construction.

**RATE LOCK OPTIONS** The interest rate will be locked at the time the bonds are sold.

**INTEREST RATE AND FEES** Rates are competitive and change daily. *Call for current rates.*  
Non-refundable application fee required. Commitment fees are dependent on loan size.

<b>BORROWERS</b>	For-profit, nonprofit and joint ventures.
<b>LENDING AREAS</b>	Nationwide.
<b>TAX-EXEMPT BONDS</b>	Credit enhanced private activity and 501(c)(3) bond financing for new and existing properties that require rehabilitation.
<b>AFFORDABLE RENT LEVELS</b>	20% of all units must be affordable to families earning 50% of the area median income (AMI) or 40% of the units must be affordable to families earning 60% of AMI. Other program restrictions may apply to rents and tenant incomes. Moderate-income market-rate properties have no restrictions.
<b>REPLACEMENT RESERVES</b>	Not less than \$300 per unit per year for family properties and \$250 per unit per year for senior properties.
<b>OPERATING RESERVES</b>	Up to six months of debt service determined on a case-by-case basis.
<b>PREPAYMENT</b>	Lock out for 10 to 15 years for affordable properties. Yield maintenance requirements in effect during lockout period.
<b>FEATURES</b>	All loans are fully assumable and feature a long-term fixed interest rate, which is locked at, or just prior to, construction loan closing.
<b>SUBORDINATE DEBT</b>	For affordable properties, no DSC or LTV requirements for soft subordinate debt. Permitted with a minimum debt service coverage of 1.05:1.0 and maximum LTV of 95% for must pay subordinate debt.
<b>GOOD FAITH DEPOSIT— FORWARD COMMITMENT</b>	1% paid in the form of a note secured by a subordinate mortgage is required at commitment. All deposits refunded at closing.
<b>THIRD PARTY REPORTS</b>	Paid in advance of contracting all third party contractors (Appraisal, Market Study, Environmental, Enterprise Site Visits, Management Review, Engineering, Plans and Specs Review, Credit and Enterprise Legal)
<b>CONVERSION REQUIREMENTS</b>	Forward commitments are converted to permanent loans upon: 1) the satisfactory completion of construction in accordance to the specifications determined at the time of initial underwriting; 2) completion of lease-up and stabilization as evidenced by 3 consecutive rent rolls, certified and dated at one month intervals showing 90% or greater occupancy; and 3) the achievement of the NOI estimated in the original underwriting.

**For more information about our products and services, contact:**

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Enterprise is a leading provider of the development capital and expertise it takes to create decent, affordable homes and rebuild communities. For more than 25 years, Enterprise has introduced neighborhood solutions through public-private partnerships with financial institutions, governments, community organizations and others that share our vision. Enterprise has raised and invested \$10.6 billion in equity, grants and loans to help build or preserve more than 270,000 affordable rental and for-sale homes to create vital communities. Enterprise is currently investing in communities at a rate of \$1 billion a year. Visit [www.enterprisecommunity.org](http://www.enterprisecommunity.org) and [www.enterprisecommunity.com](http://www.enterprisecommunity.com) to learn more about Enterprise's efforts to build communities and opportunity.