
FNMA Small Apartment Loan Term Sheet

KENDALL REALTY ADVISORS

FNMA Small Apartment Refinance or Purchase

Loan Amounts: \$750,000 - \$5,000,000 for over \$5 Million go to FNMA

Fixed Rate Balloon Loans: 5, 7, 10 year loan terms with up to 30year amortization

Loan to Value: 80% Purchase or Refinance, 75% Cash Out

Minimum Debt Service Coverage Ratio: 1.25x

Rates: 2.50% to 3.00% over 10 year treasury rate - fixed for ten years

Financing Fee: 1%

Loan Application: \$4,500 for all reports

Property Requirements: 5 or more multifamily units

Stabilized Occupancy: 90 percent or better physical occupancy (85 percent economic) for the preceding 12 months

Eligible Borrower Structures: Corporation, Limited Liability Company, Limited Partnership, General Partnership, Trust, Co-Tenant, Individual. The Borrower is not required to be a single asset entity

Non-U.S. Key Principals: NOT eligible

Borrower/Key Principal Financial Eligibility: Generally, post-closing liquidity equal to or greater than nine (9) months of debt service and Aggregate Key Principal net worth equal to or greater than the subject loan amount

Borrower/Key Principal Real Estate Experience Requirements: Minimum of 3 years ownership with two multifamily properties (5+ units) OR Five years or more with the subject property

**FOR BORROWERS WITH GOOD TRACK RECORD - CASH FLOWING
PORTFOLIOS - GOOD 680 + CREDIT - SEVERAL YEAR HISTORY OF
OPERATING APARTMENTS**

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PRELIMINARY SUBMISSION PACKAGE:

- 1) Property description and location map.**
- 2) Representative interior and exterior photographs.**
- 3) Current rent roll and year-to-date operating statement.**
- 4) Operating history - prior 3 years, if available.**
- 5) Pro-Forma 12 month operating budget**
- 6) Owner resume and financial statement other properties cash flow**
- 7) Existing debt, purchase price, date purchased if applicable**
- 8) If purchase, purchase agreement and time remaining on contract**
- 9) Vacancy and Concessions, bad debt, rent loss for last 12 months**
- 10) Area and Neighborhood description**

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