

Expanded Housing Choice



Support a more equitable housing market through our Expanded Housing Choice (EHC) initiative.

The U.S. Department of Housing and Urban Development (HUD) helps provide access to private market housing for underserved populations through the Housing Choice Voucher (HCV) program, but 30% of voucher holders are unable to find housing that accepts their voucher and end up having to return it. Our EHC initiative incentivizes borrowers to accept HCVs as a valid source of income for properties located in **North Carolina and Texas** — expanding the number of housing options available to voucher holders.

The benefits of more properties accepting HCVs

For HCV renters:

- Greater access to available units, which could increase the number of voucher holders who are able to secure housing.
- More opportunities for children who move to lower poverty areas to have healthier lifestyles, increased rates of college attendance, and eventually earn higher incomes.
- More individuals and families with a stable, affordable place to call home.

For borrowers and property managers:

- Lower pricing, flexible loan terms, and certainty of execution.
- An expanded renter base.
- Lower turnover and vacancy, as HCV renters stay nearly nine years on average.*
- A steady stream of competitive rent payments backed by HUD.
- The chance to make a difference in reducing poverty and supporting mixed income communities.
- A strengthened Environmental, Social, and Governance (ESG) reputation.

[*HUD HCV Fact Sheet for Landlords May 2021, HUD](#)

Contact a Fannie Mae representative to learn more about how our financing solutions can help you compete.

Working to help more people across the U.S. access quality affordable rental housing is an enduring part of our mission. Together, we can support a more equitable housing market by removing barriers that prevent people from finding a stable, sustainable place to call home.

Fannie Mae Expanded Housing Choice

EHC Eligibility	<ul style="list-style-type: none"> Existing, stabilized conventional properties in North Carolina and Texas. Mortgage Loan or underlying deed restrictions do not already require acceptance of HCVs as a condition of financing (e.g., LIHTC). One-time test at origination: A minimum of 20% of the unit rents (across a representative unit mix) at the property are within the applicable HUD Fair Market Rent or Small Area Fair Market Rent. Borrower must execute a Modification to Multifamily Loan and Security Agreement (Expanded Housing Choice) (Form 6273) and the Key Principal executes a Payment Guaranty (Pricing Incentive Recapture) (Form 6020.PIR).
Term	5 – 30 years
Amortization	Up to 30 years
Interest Rate	Fixed- and variable-rate options available.
Maximum LTV	80%
Minimum DSCR	1.25x
Execution Options	MBS
Prepayment Availability	Mortgage Loans may be voluntarily prepaid upon payment of yield maintenance for fixed-rate Mortgage Loans or declining prepayment premium for variable-rate Mortgage Loans.
Rate Lock	30- to 180-day Rate Lock periods are available.
Fair Housing Testing	Properties will be subject to periodic Fair Housing Testing.
Asset Management	<ul style="list-style-type: none"> Yearly Borrower Certification required: Loan Agreement Certification (Expanded Housing Choice) (Form 6620). Provide ongoing Rent Rolls through the Rent Roll Digitizer™. Remediate any findings from Fannie Mae’s Fair Housing Testing.