

Standard FHA Risk Sharing Execution

The Standard FHA Risk Sharing execution for Multifamily Affordable Housing (MAH) transactions provides better pricing for Borrowers while retaining the ease of working with their Fannie Mae Lender. MBS and Credit Enhancement Mortgage Loans for bond executions are available.



Loan Amount	No minimum or maximum; however, Mortgage Loans over \$50 million require HUD consent.
Term	15 – 40 years
Amortization	Full amortization up to 40 years; Balloon structures capped at 30-year amortization.
Interest Rate	Fixed rate
Maximum LTV	Up to 90% “as stabilized”
Minimum DSCR	1.15x – 1.20x “as stabilized”
Property Considerations	The rent and income restrictions applicable to the Property must remain in effect for at least the term of the Mortgage Loan.
Rate Lock	30- to 180-day Commitments.
Prepayment Availability	Flexible prepayment options available.

Benefits

- Highly competitive pricing for MAH transactions.
- Certainty and speed of execution
- One stop customer service – Borrowers only need to work with their Fannie Mae Lender who will handle the Mortgage Loan execution

Eligibility

- Multifamily Affordable Housing properties with income and rent restrictions effective the entire loan term
- Immediate and Forward Commitment executions

For More Information

Contact a Fannie Mae representative or visit the Multifamily Affordable Loans Portal for details.

fanniemaemultifamilyaffordable.com



Subsidy Layering Review	A subsidy layering review is required per federal law when there is a possibility that more than one source of federal, state, or local governmental assistance may fund a transaction.
Recourse	Non-recourse execution, with standard carve-outs for “bad acts” such as fraud and bankruptcy.
Escrows	Replacement reserve, tax, and insurance escrows are typically required.
Third-Party Reports	Standard third-party reports required, including Appraisal, Phase I Environmental Site Assessment, and Property Condition Assessment.
Assumption	Mortgage Loans are typically assumable, subject to review and approval of the new borrower’s financial capacity and experience.