Fannie Mae®

Fannie Mae Multifamily

Structured Transactions:

Sophisticated Solutions for Sophisticated Transactions

fanniemae.com/multifamily

What's Your Portfolio Strategy?

Fannie Mae's structured finance products are flexible, powerful financing tools that allow Borrowers to manage debt across their multifamily portfolios. Credit Facilities and Bulk Deliveries offer a combination of variable- and fixed-rate debt with laddered maturities and flexible post-closing features, so Borrowers can sell, acquire, and rehab properties as needed.

Our structured finance team can help you finance multifamily properties across all asset classes, including Market-Rate, Multifamily Affordable Housing, Seniors Housing, Student Housing, Manufactured Housing Communities, and Military Housing. We work with a variety of Borrowers — large and small, repeat and new — and we'd love to work with you to manage your portfolio and achieve your long-term goals.

Sophisticated Solutions

Leverage strong assets to lock in desirable terms for your entire portfolio: Our Credit Facilities are cross-collateralized, so you can use your best-performing assets to access attractive financing for your entire book.

Combine fixed- and floating-rate debt to optimize your debt strategy: Mix and match interest rate types and loan terms without having to tie debt to a specific property.

Buy and sell assets on your schedule: Grow your portfolio by adding new assets over time, and easily release assets from the facility when you choose, thanks to our flexible MBS.

Hold on to today's low rates and avoid having to prepay just because you sell: Both Credit Facilities and Bulk Deliveries let you substitute properties easily if that's what your strategy requires.

Manage your expenses without hidden costs: Never be forced to rebalance your portfolio by prepaying debt — and, unlike our competitors, we never charge an unused capacity fee.

Don't Let Your Fixed-Rate Debt Dictate Your Portfolio Strategy

Our structured transactions provide flexibility to manage your complex and changing business plan the way you want. Other portfolio debt solutions simply can't compete with the level of customization we offer.

Cross-collateralized Credit Facilities allow Borrowers to:

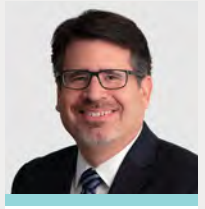
- Ladder maturities with multiple tranches of debt with varying terms
- Combine fixed- and floating-rate debt
- Add, release, and substitute properties
- Re-lever the portfolio quickly with our unique first lien borrow-up feature
- Never rebalance the portfolio or pay an unused capacity fee
- Customize prepayment premiums

Our non-crossed Bulk Delivery offers many of the same features, including asset substitution.

Free your equity!

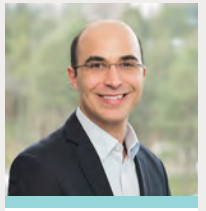
Borrowers can easily tap into the equity in their portfolio by quickly re-levering their Credit Facilities with a borrow-up.

Rely on Us to Help You Accomplish Your Business Goals



Mike Winters

Kelly Mitchell



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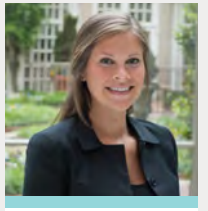


Cassie Ford

For over 30 years, Fannie Mae Multifamily has served the secondary mortgage market as a reliable source of mortgage capital in every market, every day. We provide liquidity, stability, and affordability to the multifamily market in a disciplined fashion, while maintaining our credit standards and minimizing losses.

Whatever your business goals are, our dedicated team can help. We'll listen to your business plan and develop a solution to meet your needs — and we'll stay with you as your strategy evolves. Our seasoned team of real estate professionals has expertise that goes beyond structured finance. They are familiar with the full breadth of Multifamily's offerings, from Structured ARMs to Seniors Housing to Affordable to Market-Rate deals, in all 50 states.

When it's time to craft the Master Credit Facility Agreement (MCFA), we're with you every step of the way. We'll work with Borrower and Lender counsel to reach the right solution for every Borrower. The MCFA we design will align with your business needs to anticipate adding, releasing, and substituting properties so that minimal additional documentation is required. We also have a dedicated team of asset managers who will work with you to deliver seamless executions for collateral events.

Contact us today:
mf_structured_transactions@fanniemae.com

Anatomy of a Deal

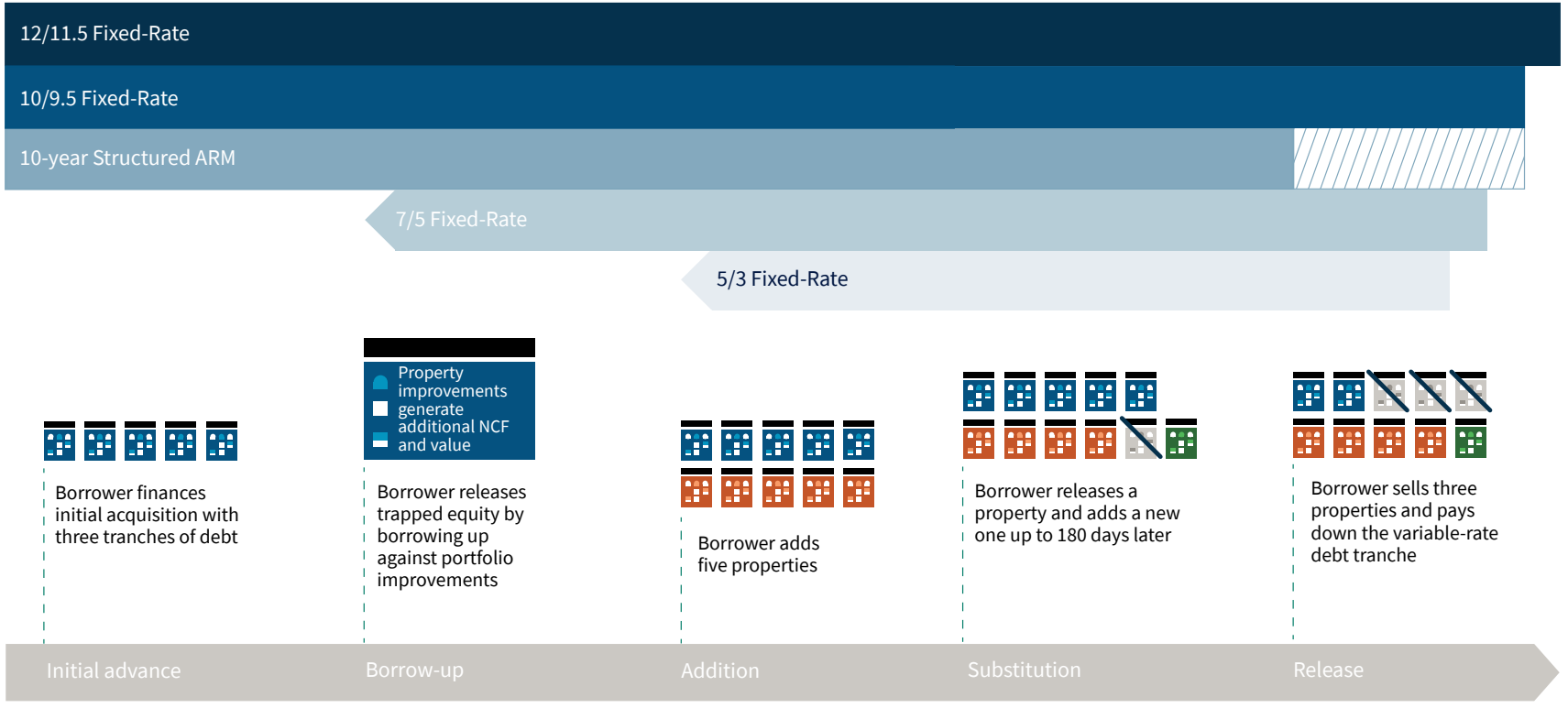
Opportunity

A large regional Borrower with limited Fannie Mae experience has partnered with a large pension fund to acquire small portfolios. The initial acquisition is a portfolio of five value-add, market-rate properties valued at $250 million and they intend to grow the partnership to $500 million over 3 years.

Strategy

The Borrower anticipates holding most of the assets long term but would like the flexibility to opportunistically sell as needed. Ideally, the Borrower expects to obtain additional financing when NCF improvements are realized.

Solution



Result

Because we matched the Credit Facility structure and features to the Borrower's strategy, they mitigated their exposure to interest rate risk and realized huge savings over the term of the facility.

The Fannie Mae Advantage

- No maximum facility amount
- No unused capacity
- No rebalancing
- No penalty fees for long-term debt

Here's What Borrowers Are Saying

Scion has utilized Fannie Mae's structured Credit Facility product as a critical funding source in our ongoing consolidation of the student housing sector. As multi-property portfolio acquirers, Fannie Mae's Credit Facilities enable us to optimize our overall debt terms and loan proceeds while simultaneously diversifying our maturity ladders and fixed/floating rate mix. We recently completed a very significant borrow-up transaction within one of our three Fannie Mae Credit Facilities, which provided for unique flexibility and a result that could not have been replicated outside of this structure. I expect that we will continue to rely on Fannie Mae's structured Credit Facility products as we continue to expand our portfolio.

—Avi Lewittes,
The Scion Group LLC

We have utilized Fannie Mae's Credit Facility product for over a decade. Its flexibility and creative structuring allows us to execute on our investment objectives with limited frictional cost. Coupled with the superior responsiveness and professionalism of the Fannie Mae team, the product is an important part of our secured debt strategy.

—Bob Garechana
Equity Residential

We look for opportunistic sales and acquisitions. The flexibility of Fannie Mae's Credit Facility enables us to easily substitute assets so that we can keep our low interest rates in place and still acquire new assets or dispose of mature assets as opportunities arise. It's a fantastic tool to have at our disposal.

—John Harrelson
Aspen Square Management, Inc.

We used the Fannie Mae credit facility to acquire over $100M in assets last year. The credit facility gives us the agility we need to execute on our acquisition strategy upfront while providing long-term stability as well as strategic flexibility as we operate our properties over the long haul.

Whether it is unlocking trapped value, asset disposition, property replacement, or new acquisitions, the Fannie Mae credit facility product does it all. It is truly a remarkable product backed by a fantastic team that has supercharged our asset acquisitions and portfolio optimization.

—Robbie Pratt
Havenpark Capital

Our Securitization Platform Is the Best in the Industry— and That Matters to Borrowers

Only Fannie Mae offers customized loan and prepayment terms, blending fixed- and variable-rate financing. Our Delegated Underwriting and Servicing (DUS®) model allows us to offer any loan size, fixed or variable rates, terms from 5 to 30 years, flexible yield maintenance, and customized prepayment periods through our DUS MBS. MBS backed by structured transactions have the added benefit of being partially pre-payable.

Our life-of-loan servicing relationship means that there is no third-party master servicer and no B-piece buyer. Fannie Mae services the loans with a comprehensive team that covers all facets and phases of the loan, so post-closing activities are seamless.

Powered by DUS, the Industry's Most Innovative Platform

Our multifamily business is executed primarily through the DUS Lender network and is the only proven risk-sharing model in the country. DUS Lenders are pre-approved and given the authority to underwrite and service loans that meet our standards. Rely on Fannie Mae Multifamily for:

- Certainty of execution, faster decisions, and quicker loan closings
- Experts who know the business and understand complex transactions
- Life-of-loan servicing
- Dedicated teams from origination to maturity

Structured by the numbers

24
years in business

$33.5B
book of business

$9.5B
2018 production

Contact us

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