

# MHP Multifamily Financing - Interest Rates (as of 1/18/2022)

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## FANNIE MAE - FIXED RATE FINANCING<sup>1</sup>

| Term/YM | \$2MM | \$5MM | ≥\$6MM | Terms   | Leverage  | Affordability   | Prepayment   |
|---------|-------|-------|--------|---|---|---|--|
| 5/4.5   | 3.95% | 3.95% | 3.46%  | Up to 30 year term and amortization (longer amortizations may be available for certain transactions); 6-12 mo early rate lock available, with 24-30 mo rate lock available for LIHTC; Underwriting floor rate will apply for terms < 12 yrs; Up to 120k/unit in rehab can be funded | 1.15 DSC/90% LTV for LIHTC;<br>1.20 DSC/80% for 20% at 50% AMI or 40% at 60% AMI;<br>1.25 DSC/80% LTV for 25% at 80% AMI;<br>Better pricing available with lower leverage | 20% at 50% AMI or 40% at 60% AMI<br><br>20% at 80% AMI in 40R district or 25% at 80% AMI if 40B, with slightly higher pricing | Yield maintenance period is selectable by borrower; Declining prepayment premium options available for 5-10 yr terms |
| 7/6.5   | 3.92% | 3.92% | 3.43%  |   |   |   |  |
| 12/11.5 | 4.17% | 4.17% | 3.68%  |   |   |   |  |
| 15/14.5 | 4.33% | 4.33% | 3.84%  |   |   |   |  |
| 18/15   | 4.55% | 4.55% | 4.06%  |   |   |   |  |

## FANNIE MAE - VARIABLE RATE

| Term                  | < \$2MM | \$5MM | \$10MM | ≥\$20MM | Terms  | Leverage  | Affordability  | Prepayment  |
|-----------------------|---------|-------|--------|---------|--|---|--|---|
| 7/6 ARM               | 2.52%   | 2.22% | 2.08%  | 2.08%   | 5-12 yr term Structured ARM (SARM) and 7 yr ARM, with 30 year amortization;<br>\$25 million min. for SARM, borrower must purchase interest rate cap;<br>ARM pricing includes 6% cap (excluding G&S fees) | 1.00 DSC/80% LTV at capped rate plus G&S fees;<br>Tiered underwriting, with better pricing for higher DSC | 20% at 80% AMI in 40R district;<br>25% at 80% AMI if 40B;<br>otherwise, 20% at 50% AMI or 40% at 60% AMI | No prepayment in 1st yr;<br>1% fee thereafter with no fee during last 3 months of loan term |
| Structured ARM (SARM) |         |       |        | ≥\$25MM |  |   |  |   |
|                       |         |       |        | #N/A    |  |   |  |   |

## FHA MAP

| Term/Am   | \$2MM | \$5MM | \$10MM | >\$10MM | Terms   | Leverage  | Affordability   | Prepayment   |
|---|-------|-------|--------|---------|---|---|---|--|
| 35/35   | 2.65% | 2.56% | 2.56%  | 2.46%   | 35 year loan term/am (no balloon loans); Project must demonstrate at least 3 years of operating history<br>Rehab < \$43,000 per unit;<br>Requires HUD reviews (see <i>Treasury Risk Share</i> req. above) and HUD loan approval with 45 day estimated processing time | 1.18 DSC/90% LTV;<br>Higher leverage allowed for Section 8/202 properties | 10% at 80% in high poverty census tracts;<br>20% at 80% AMI in 40R district;<br>25% at 80% AMI if 40B;<br>otherwise, 20% at 50% AMI or 40% at 60% AMI | Declining premium (e.g. 10% in year 1, 9% in year 2, etc.), with no prepayment fees after 10 years |
| <i>Rates exclude MIP of 25 or 35 basis points (lower MIP with 20% at 50% AMI or 40% at 60% AMI, min. 15 yr restriction)</i> |       |       |        |         |   |   |   |  |

## MHP PRIVATE BANK FUNDS

| Term/Am | \$1MM | \$2MM | \$5MM | Terms  | Leverage   | Affordability  | Prepayment  |
|---------|-------|-------|-------|--|--|--|---|
| 15/30   | 4.26% | 4.04% | 3.72% | 5-20 yr terms available, with up to 35 yr amortizations available for certain transactions;<br>Early rate lock available (up to 2 years prior to closing);<br>Tax-exempt executions available at lower rates | 1.10 DSC/85% LTV for >70% affordable;<br>1.15 DSC/80% LTV for 50-70% affordable;<br>1.20 DSC/75% LTV for <50% affordable | 10% at 80% in high poverty census tracts;<br>20% at 80% AMI in 40R district;<br>25% at 80% AMI if 40B;<br>otherwise, 20% at 50% AMI or 40% at 60% AMI;<br>Min. affordability of 10 yrs | No prepayment until year 5;<br>2% prepayment fee incurred for early prepayment (yield maintenance may also apply) |
| 20/30   | 4.45% | 4.13% | 3.81% |  |  |  |   |
|         |       |       |       |  |  |  |   |

## TREASURY RISK SHARE

| Term/Am                                       | \$2MM | \$5MM | \$10MM | \$20MM | Terms   | Leverage   | Affordability  | Prepayment   |
|---|-------|-------|--------|--------|---|--|--|--|
| 30/30   | 3.97% | 3.59% | 3.49%  | 3.44%  | 35 or 40 yr loan term/am (no balloon loans);<br>Early rate lock available (up to 3 years prior to closing);<br>Requires HUD environ. review, 2530 clearance, subsidy layering review, post-closing REAC inspections | 1.10 DSC/90% LTV for >70% affordable;<br>1.15 DSC/85% LTV for 50-70% affordable;<br>1.20 DSC/80% LTV for <50% affordable | 20% at 50% AMI or 40% at 60% AMI for term of loan, with min. affordability of 20 yrs | No prepayment costs after yr 10. Prepayment prohibited until end of yr 10. |
| 35/35   | 4.00% | 3.62% | 3.52%  | 3.47%  |   |  |  |  |
| 40/40   | 4.02% | 3.64% | 3.54%  | 3.49%  |   |  |  |  |
| <i>Rates exclude MIP of 12.5 basis points</i> |       |       |        |        |   |  |  |  |

<sup>1</sup> MAH Tier 2 pricing, with 10 basis point pricing waiver assumed