

# Standard Fannie Mae DUS<sup>®</sup> Mortgage



## Term Sheet

SunTrust is a Fannie Mae Delegated Underwriting and Servicing (DUS<sup>®</sup>) lender and offers a wide variety of innovative solutions to meet borrowers' needs. For financing conventional market-rate apartment properties, a Standard DUS<sup>®</sup> Mortgage may provide some of the most competitive terms.

### Eligible Properties

A Standard Fannie Mae DUS<sup>®</sup> Mortgage can be used for the acquisition or refinance of multifamily properties.

### Eligible Borrowers

Any creditworthy single-asset US borrower with all US principals is eligible. Foreign borrowers may also have ownership interests, subject to proper structuring of the borrowing entity.

### Loan Amount

\$3 million minimum; no maximum.

### Loan Term

Terms ranging from 5 to 30 years are available. Terms of 5, 7, 10, 15, 18, 20, 25 or 30 years are standard.

### Amortization

Up to 30 years.

### Maximum LTV

80%

### Minimum DSCR

1.25x

### Recourse Requirements

Non-recourse execution. Standard carve-outs to non-recourse for "bad acts" such as fraud are required.

### Property Seasoning

New properties must have stabilized, have occupancy exceeding 85% and have shown consistent collections and occupancy. SunTrust can assist the borrower in finding bridge financing to meet the seasoning requirements.

### Escrows

Replacement reserve, tax and insurance escrows are typically required for higher leverage transactions.

### Third-Party Reports

Standard third-party reports – Appraisal, Phase I Environmental Assessment and a Physical Needs Assessment – are required.

### Interest Rates

Fixed and variable rates are available.

### Accrual Basis

Actual/360

### Rate Lock

30-day commitments are available. Extended rate lock feature is also available.

### Pricing

Pricing is tiered and based on the risk attributes of the loan.

### Assumption

Fannie Mae DUS<sup>®</sup> Loans are typically assumable, subject to SunTrust's review and approval of the new borrower's financial capacity.

### Prepayment Provisions

Fannie Mae offers borrowers three prepayment premium options: yield maintenance, defeasance and graduated prepayment premium (e.g., 5-4-3-2-1 on five-year term).

### Supplemental Financing

Available

**To learn more about SunTrust Commercial Real Estate, visit [suntrustcre.com](http://suntrustcre.com).**

This term sheet is only for the purpose of setting forth standard required terms of a HUD-insured loan for informational purposes and a basis upon which the parties may be agreeable to proceed toward a potential transaction and is not intended to be a legally binding contract or to impose any liabilities or obligations on any party. The terms reflected in this term sheet are subject to change or withdrawal at any time in SunTrust Bank's sole discretion (due to market conditions or otherwise) and do not constitute a binding offer to enter into a transaction. Finalized terms and conditions are subject to further discussion and negotiation and would be evidenced by execution of definitive documentation acceptable to the parties, and it is understood that this term sheet does not set forth all of the terms of such definitive documentation. Standard credit criteria apply.