

DOUGHERTY MORTGAGE LLC

PRODUCT OVERVIEW

Eligibility/Benefits:

- Acquisition, new construction, rehabilitation or refinance of bond financed properties, including Multifamily Affordable Housing (MAH) with Low-Income Housing Tax Credits
- May be structured as new issue, refunding, credit substitutions, fixed-rate or variable-rate bonds
- Taxable tail financing available

Loan Structure:

Loan Amount:

- Minimum \$3 million

Loan Value:

- Fixed-rate, tax-exempt – the greater of 90% of market value, or 80% of adjusted value
- Variable-rate, tax-exempt – the greater of 85% of market value, or 80% of adjusted value

Loan Term:

- 10 to 30 years; 15 year minimum for MAH

Amortization:

- Up to 30 years

Debt Service Coverage Ratio:

- 1.20x minimum for fixed-rate, tax-exempt bonds
- 1.00x minimum for variable-rate, tax-exempt bonds

Prepayment:

- Fixed-rate – premium term is usually 10 to 15 years, depending on the rate reset
- Variable-rate – premium term is usually 7 to 10 years, depending on term of interest rate cap or swap

Guaranty:

- Non-recourse with standard carve-outs

Taxable Financing:

- Available for cash-out refinancing fixed or adjustable

Subordinate Financing:

- Available subject to Fannie Mae requirements, fully amortizing



Fannie Mae Tax-Exempt Bond Credit Enhancement Fixed or Variable Rate Bond Enhancement

The Fannie Mae Tax-Exempt Bond product line provides credit enhancement and liquidity support for the new construction, acquisition, rehabilitation or refinance of multifamily housing projects. This product is available for both fixed and variable-rate bonds, as well as 501 (c) (3) bonds.

Requirements and Fees:

* Interest Rate Cap or Swap:

- Interest rate cap required for variable-rate, transactions unless interest rate swap is used; 5 year minimum term

Reserves:

- Deposit required for Replacement Reserves, Taxes, Insurance; Swap and Principal Reserve Fund, if applicable
- Operating Reserve – only for variable-rate MAH transactions with rent restrictions

Processing Fee:

- Typically \$15,000 - Includes cost of Third Party Reports (Appraisal, Market Analysis, Environmental and Engineering Report) and Lender Due Diligence
- Borrower is responsible for Legal Fees and Standard Closing Costs

Credit Enhancement and Liquidity Fee:

- Credit Enhancement Fee – 115 basis points, or less, depending on LTV
- Liquidity Fee – 95 basis points

Commitment Fees:

- Competitive and Negotiable

* Call for current Rates and Terms.
Interest rate cap must be from an approved provider.

Minneapolis (866) 922-0786

Fort Worth (817) 332-3611

Plano (972) 473-3759

Denver (720) 344-7171

www.doughertymarkets.com