



**Forward Commitment for  
 New Construction or  
 Substantial Rehabilitation  
 of Market Rate Apartments**

**ELIGIBLE PROPERTIES:**

New construction or substantial rehabilitation of apartments. Unit rents will be underwritten to be affordable such that either 51% of the units are affordable to households earning not more than 100% of area median income, or 100% of the units are affordable to households earning not more than 120% of area median income. This affordability test is for loan sizing purposes only. No restrictions will be placed on the actual rents charged.

**LOAN TYPE:**

Balloon mortgages with a 7, 10, 15 or 18-year term.

Also 20, 25 and 30-year fully amortizing structures.

Loan funds will be advanced to an approved Construction Lender in a lump sum or in installments. Requires credit support during the Forward Commitment Period in the form of a Letter of Credit from an "A" or better rated institution. Guaranteed Investment Contract option available.

**PREFERRED LOAN SIZE:**

\$3 million and larger.

**MAXIMUM LOAN:**

Amount equal to the lesser of:

1. 80% of appraised value; or
2. An amount based on 1.25 debt service coverage.

**INTEREST RATES:**

Determined by market rates at the time of rate lock. Rates vary by loan-to-value ratio debt service coverage and property quality.

**FORWARD COMMITMENT TERM:**

Up to 24 months with one 6-month extension, longer forward commitment terms available.

**AMORTIZATION:**

Up to 30 years.

**PERSONAL RECOURSE:**

None, except for standard exceptions to non-recourse, which are the responsibility of the Key Principal(s).

**ASSUMABILITY:**

Assumable, subject to CWCapital approval and 1% transfer fee.

**PREPAYMENT:**

Yield maintenance or defeasance options.

**SUBORDINATE FINANCING:**

Fannie Mae Supplemental Loans (second mortgages) available 12 months after initial loan closing.

**ESCROWS:**

Monthly escrows for real estate taxes, property insurance and replacement reserves upon permanent loan closing.

hardworking + successful + prepared + accomplished  
innovative + versatile + knowledgeable + resourceful  
reliable + efficient + collaborative + flexible + creative  
accountable + prepared + problem solver  
adaptable + responsive +

<b>APPLICATION FEE:</b>	Based on estimated underwriting costs for appraisal, architectural / engineering report, environmental assessment and other loan processing costs.
<b>FINANCING FEE:</b>	Negotiable.
<b>CLOSING EXPENSES:</b>	Standard transaction costs, including legal fees, title insurance and survey.
<b>FANNIE MAE FEES:</b>	A forward commitment deposit equal to 2% of the commitment amount to be paid prior to rate lock. Deposit may be in cash or letter of credit and will be refunded / released upon delivery of the permanent loan.
<b>FANNIE MAE DELIVERY ASSURANCE CERTIFICATE:</b>	<p>At construction loan closing, the Borrower must execute Delivery Assurance Certificate in favor of Fannie Mae, secured by a subordinate lien.</p> <p>The lien will be released upon permanent loan closing.</p>
<b>PERMANENT LOAN CLOSING:</b>	Project completion with Certificate of Occupancy for all units, 90% occupancy for 90 consecutive days.
<b>PRELIMINARY SUBMISSION PACKAGE:</b>	<p>Include the following in your request for a loan quote:</p> <ol style="list-style-type: none"><li>1. Property description and unit mix with proposed rent schedule.</li><li>2. Location Map.</li><li>3. Developer's pro forma income and expenses.</li><li>4. Anticipated sources and uses of funds schedule detailing development costs.</li><li>5. Sponsor resume.</li></ol>