



FANNIE MAE DUS[®] Seniors Housing

Arbor's Seniors Housing Financing provides financing options for properties that provide independent living (IL), assisted living (AL), Alzheimer's/dementia care (ALZ) or any combination.

LOAN AMOUNT	Minimum \$5M, with exceptions on a case-by-case basis
LOAN TERM	5 to 30 years
AMORTIZATION	Up to 30 years
MINIMUM DSCR	<ul style="list-style-type: none"> • 1.30x if the property is 100% independent living • 1.40x for properties with an assisted living and/or Alzheimer's component greater than 50% • 1.45x if the property is stand-alone Alzheimer's/dementia care • 1.50x if the property contains skilled nursing units <p>For combinations of IL, AL and ALZ, special rules apply to calculate minimum DSCR</p>
MAXIMUM LTV	75% (80% for fixed-rate tax-exempt bonds)
RATE STRUCTURE	Fixed and adjustable rate options available
ELIGIBLE PROPERTIES	<ul style="list-style-type: none"> • Independent living properties • Assisted living properties • Alzheimer's/dementia care • Newly constructed and stabilized seniors housing facilities, as well as campuses containing skilled nursing beds, on a case-by-case basis
ELIGIBLE BORROWER	Single asset entity; owners and operators must have a minimum five years' experience in seniors housing, owning and/or managing at least five stabilized properties
PROPERTY REQUIREMENT	All properties must have a fully operational separate category sprinkler system in all units and in common areas and may not charge entrance fees; typical community fees are allowed
OCCUPANCY REQUIREMENT	At least 90% occupied for each of the past five fiscal years
TAX AND INSURANCE ESCROWS	Fully funded replacement reserve, tax and insurance escrows required
REPLACEMENT RESERVES	Underwritten at a minimum \$300 per unit per annum with no skilled nursing units or \$450 per unit per annum with any skilled nursing units
RECOURSE	Nonrecourse execution available, with standard carve-outs required for "bad acts" such as fraud, bankruptcy and illegal transfers
COMMERCIAL SPACE	Maximum 10% of net rentable area and 10% of effective gross income



REQUIRED REPORTS	Appraisal, Property Condition Assessment, Phase I Environmental, Zoning, Termite, Flood and Seismic Report (for properties in Seismic Zones 3 and 4) Licensed seniors housing properties also require a Seniors Housing Liability Assessment Report
PREPAYMENT	Yield maintenance, defeasance and graduated prepayment premium
ASSUMABLE	Loans may be assumable, subject to review and approval by the lender and Fannie Mae of the proposed new borrower's financial capacity and experience; 1% assumption fee
SUBORDINATE FINANCING	Not allowed
SUPPLEMENTAL FINANCING	Supplemental loans available
PRICING	Risk-based pricing; more favorable pricing available for higher DSC and lower LTV
RATE LOCK	30- to 180-day commitments; the early rate lock option is available with prior approval from Fannie Mae, allowing the borrower to lock a rate after the lender completes preliminary underwriting; extended rate lock feature is also available, allowing the borrower to lock a rate 45 to 365 days in advance of closing
APPLICATION DEPOSIT	\$20,500; covers estimated processing and legal fees
ORIGINATION FEE	1% of loan amount
GOOD FAITH DEPOSIT	2% of loan amount, due at rate lock, refundable post-closing