

Fannie Mae®

Healthy Housing Rewards™, Enhanced Resident Services, and Healthy Design

Arbor's Fannie Mae® Multifamily program offers Healthy Housing Rewards, a product feature that provides lower pricing to finance affordable properties with healthy design features. Enhanced Resident Services is a product feature that provides lower pricing to finance affordable properties with enhanced resident services that improve the health and stability of their residents including health and wellness services, work and financial capability support, and more. Healthy Design is a product feature that provides lower pricing to finance affordable properties with health-promoting design and operational features, including playgrounds, fitness equipment, tobacco-free environments, green spaces, and more.

Benefits

- Lower interest rate
- Flexible underwriting to specific affordable developments
- Flexible loan terms, and fixed- or variable-rate financing options
- Certainty and speed of execution
- For Enhanced Resident Services: Initial Service Provider certification and Property certification reimbursed by Fannie Mae
- For Healthy Design: Reimbursement for Healthy Design certification (Up to \$6,500)

Eligibility

- Multifamily properties with rent or income restrictions where at least 50% of the units are affordable to households earning no more than 80% of Area Median Income.
- For Healthy Design: Property must have a Healthy Design certification that is recognized and approved by Fannie Mae per Form 4248.
- Eligible Properties include:
 - Multifamily Affordable Housing (MAH)
 - Properties subject to Sponsor Initiated Affordability (SIA)
 - Sponsor Dedicated Workforce Housing (SDW)
- One-time benefit per borrower per property. For Enhanced Resident Services: Cannot be combined with Healthy Housing Rewards/Healthy Design benefits. For Healthy Design: Cannot be combined with Healthy Housing Rewards and Enhanced Resident Services.

Term

Five-30 years

Amortization

Up to 35 years

Service Provider Certification

For Enhanced Resident Services: Cost of initial Service Provider certification, up to \$5,500, will be reimbursed by Fannie Mae. Service Provider must obtain recertification every five years.

Healthy Design Certification

For Healthy Design: The property must obtain a Healthy Design certification from an approved Fannie Mae provider before rate lock. Certification fee cost (up to \$6,500) reimbursed by Fannie Mae.

Property Level Certification

For Enhanced Resident Services: Sponsors, or third-party service provider, must obtain CORES certification from an approved Fannie Mae provider prior to lock.

	Borrowers must also obtain property-level Enhanced Resident Services certification from an approved Fannie Mae provider before Rate Lock. Cost of initial property-level certification, up to \$750, will be reimbursed by Fannie Mae. Borrower must obtain yearly property recertification.
Interest Rate	Fixed- and variable-rate options available
Maximum LTV	Varies by product type
Minimum DSCR	Varies by product type
Pre-payment Availability	Flexible prepayment options available including yield maintenance and declining prepayment premium
Loan Amount	No minimum or maximum
Rate Lock	30- to 180-day commitments. Borrowers may use the Streamlined Rate Lock option. For Enhanced Resident Services: Confirmation of sponsor-level and property-level Enhanced Resident Services certifications is required prior to rate lock. For Healthy Design: Confirmation of Healthy Design certification is required prior to rate lock.
Accrual	30/360 and Actual/360
Recourse	Non-recourse execution is available, with required standard carve-outs for “bad acts” such as fraud and bankruptcy, (and for Enhanced Resident Services) as well as for failure to maintain required Service Provider and property-level certifications throughout the loan term.
Third-Party Reports	Standard third-party reports, including Appraisal, Phase I Environmental Assessment, and a Property Condition Assessment, are required. Confirmation of Healthy Housing Rewards features and eligibility is required.
Assumption	Mortgage loans are typically assumable, subject to review and approval of the new borrower’s financial capacity and experience.