



## Fannie Mae DUS® Multifamily Fixed Rate Financing

**Red Mortgage Capital, LLC** is an approved Fannie Mae DUS (Delegated Underwriting and Servicing) mortgage lender that underwrites, funds and services first lien mortgage loans on multifamily rental properties nationwide. As a DUS Lender, **Red Mortgage Capital, LLC** is responsible for all underwriting and credit review and can sell mortgages of up to \$25 million to Fannie Mae on an expedited, delegated basis with no time-consuming prior review on Fannie Mae's part.

- Loan Amounts:** \$2,000,000 and up
- Term & Amortization:** Typically 5, 7, 10, 15 or 18 year balloon maturities, however customized structures are also available  
20, 25 and 30 year fully amortizing maturities
- Prepayment:** Mortgages are subject to defeasance, yield maintenance, or fixed percentage prepayment premiums except (in most cases) for the 90-day period immediately prior to maturity. (Prepayment terms, yield maintenance requirements and prepayment premiums are specified by Fannie Mae and can vary by transaction and by mortgage term. Consult your **Red Mortgage Capital, LLC** representative for details.)
- Loan To Value Ratios:** Varies by transaction and market but typically ranges from 75-80% (90% if new LIHTC Project)
- Debt Coverage Ratios:** Varies by transaction and market but typically ranges from 1.20x-1.30x. (1.15:1 if a new LIHTC project with taxable financing and 1.20:1 if Tax-Exempt Credit Enhancement with LIHTC's)
- Loan Features:**
  - Non-Recourse, with the exception of standard carve-outs
  - Assumable
  - Capital improvements may be included
  - Fixed interest rate (variable rate option also available)
- Supplemental Mortgage:** At any time after the first year of the mortgage term, if the property value and income have increased such that additional equity is trapped, Borrower may apply for a DUS Supplemental Mortgage. Up to two supplemental mortgages may be obtained during the loan term with Fannie Mae's approval, with a third available in order to reduce a purchaser's down payment requirement in the event of an arm's-length purchase of the property with approved assumption of the prior Fannie Mae mortgage(s).
- Application Fee:** Generally \$15,000 (non-refundable). Includes Architectural/ Engineering Report, Phase I Environmental Report, Appraisal Report and Property Inspection. All third party reports must be contracted by **Red Mortgage Capital, LLC**.
- Pricing:** Fees and interest rates are quoted daily. Contact **Red Mortgage Capital, LLC** for specific pricing.
- Eligible Properties:** Stabilized properties with at least 5 units (typically over 50 units) with proven location and management. Up to 20% commercial component permitted. Student housing permitted so long as it is designed as apartments, not dorm rooms.
- Borrower:** Single asset, single purpose entities (some exceptions permitted)



- Requirements:**
- Escrow Accounts for insurance, real estate taxes, special assessments
  - Replacement reserve account
  - Any immediate repairs needed must be completed within 12 months of loan closing

**Territory:** Nationwide

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**For additional information visit [www.redcapitalgroup.com](http://www.redcapitalgroup.com) or contact:**

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In its prequalifying review, **Red Mortgage Capital, LLC** will attempt to estimate both the loan amount and the fees and costs associated with the transaction. Actual loan amounts and actual fees and expenses may vary from the prequalifying estimates. A prequalifying estimate is not a commitment to make a loan.

**RED CAPITAL GROUP** Offices

Columbus, OH\_Boston, MA\_Chicago, IL\_Charlotte, NC\_Dallas, TX\_Nashville, TN\_Newport Beach, CA\_Reston, VA\_San Diego, CA

