

Fannie Mae DUS™ Cooperative Borrower
Required Underwriting Submissions List

Early Rate Lock: In order to Early Rate Lock, please provide the following items for purposes of preliminary underwriting. All items are required prior to rate lock, as well as verbal responses from all third party service providers (appraisal, physical needs assessment, Phase I environmental site assessment and, if applicable, seismic report). Please note that M & T Realty Capital must receive all items in the Early Rate Lock section of the Required Underwriting Submissions List at least three (3) business days prior to rate lock. Standard Rate Lock items (next page) will also be required to complete full underwriting and close the loan.

- ___ 1. An appraisal pursuant to the applicable program requirements, including a value for the property as a rental project. M & T RCC must select and engage the appraiser.
- ___ 2. An engineering study to review structural, electrical, mechanical, roof, etc. conditions. M & T RCC must select and engage the inspector. If any such inspection has been recently performed, please provide a copy.
- ___ 3. A phase I environmental review will be required. M & T RCC must select and engage the environmental consultant. If you have had an environmental review performed recently, provide a copy. If indicated by the results of the phase I review, further environmental study may be required. We will contact you before engaging any such further study.
- ___ 4. A copy of the current management contract and a qualification statement of the management firm.
- ___ 5. Articles of Incorporation and By-Laws for the Borrower.
- ___ 6. Current Proprietary Lease form.
- ___ 7. Cooperative Offering Statement/Prospectus with all amendments.
- ___ 8. Certified financial statements for Borrower for past three years. Please certify using **Underwriting Certificate (Form 4667)** attached.
- ___ 9. For purposes of obtaining necessary credit checks, please complete the Credit History Questionnaire. If applicable, credit reports are also required for Sponsor and Investor(s).
- ___ 10. The Borrowing entity's tax returns for the last two years. (Not applicable if **audited** financial statements were submitted to satisfy item 8 above).
- ___ 11. Complete attached IRS Form W-9 for the Borrowing entity, for purposes of certifying correct Taxpayer Identification Number (TIN). Return original to us.
- ___ 12. Please confirm cooperative's ownership of amenities by signing attached Cooperative Retention of Amenities Certification.
- ___ 13. Provide copies of all existing fidelity bonds.
- ___ 14. Entity documentation and/or a personal resume of the Sponsor and/or Investor's real estate activities and experience.
- ___ 15. A current financial statement for the Borrower, dated within 90 days of the Application Date. Please certify using **Underwriting Certificate (Form 4667)** attached.

Information on Sponsor/Investors: *(defined as owning 10% or more of the units including the Developer/Sponsor and/or any affiliates).*

CURRENT AS OF 1/27/2010

II. Standard Rate Lock: In addition to the Early Rate Lock items above, the following Standard submission items are also required in order to complete full underwriting and allow for a timely closing, thus, avoiding any Fannie Mae non-delivery charges (0.375% of loan amount).

- ___ 16. A current list of contingent liabilities for Borrower(s) and all Principals.
- ___ 17. Sponsor and/or Investor to submit current rent roll detailing unit type, lease term, rent and maintenance for each unsold unit. Also, need to list any shared loans provided by the sponsor/Developer.
- ___ 18. The Borrower and each Sponsor/Investor must complete the attached **Underwriting Certificate (Form 4667)**.
- ___ 19. If requesting a refinance, please request from your current lender a certified two year record of your mortgage payment history which indicates any recasting of the mortgage, late payments or other problems. Provide M & T RCC a copy of the letter by which you made the request. Or, you may provide current loan information on the attached Verification of Mortgage Loan and Loan Payment History form provided along with your signature authorizing release of loan history.
- ___ 20. An existing as-built survey or site plan showing all improvements, sidewalks, driveways, parking areas, encroachments, ingress and egress points and all easements is needed for our processing.
- ___ 21. Preliminary title report or a copy of your existing title policy.
- ___ 22. A current maintenance roll submitted in an electronic format. The maintenance roll must identify each unit as either; 1). owner occupied; 2). Investor owned rental or 3). Developer/Sponsor owned. Vacant units must be identified. Show current maintenance charges and detail any special assessments.
- ___ 23. Maintenance delinquency report for the previous 12 months, showing the number of units delinquent for each month and the corresponding dollar value.
- ___ 24. Certified income and expense statements for the prior three full years, and either a) a YTD statement (only if 6 months or more); or b) a statement for the preceding 12 months, if available. Provide an operating budget for current year. Please certify using **Underwriting Certificate (Form 4667)** attached.
- ___ 25. Provide information on cooperative unit sales for last two years, include unit address, unit type, purchase date and purchase price.
- ___ 26. List of major improvements for commonly owned property with costs for the last 12 month period.
- ___ 27. Copies of real estate tax bills for last two years.
- ___ 28. Evidence of current insurance premium amount and policy term, or premium quote for Fannie Mae compliant policies, if different from current coverage. Evidence of specific insurance coverages must be provided by either a) an ACORD 28 92003 or 2006 version) combined with an ACORD 25S; or, b) an ACORD 75S. (The guidelines set forth in the Terms and Condition section of the Loan Application Agreement and Conditional Commitment and are included with the submissions list).
- ___ 29. List of any outstanding or known health, safety, or building code violations. Provide copies of all current permits, business licenses, and a copy of the most recent fire inspection report.
- ___ 30. Copy of ground lease, if applicable.

Processor Comments:

CREDIT HISTORY QUESTIONNAIRE

(Note: Use the "Tab" key or mouse to move between form fields)

In order to process your request for a multifamily permanent loan, we need the following information on the Borrower and its Principals.

1. Borrower Name:

Business Address:

City/State/Zip Code:

2. Tax ID Number:

3. Principals and Entity Principals are defined as: (a) all General Partners and Managing Members, (b) 25% or greater limited partners/members/shareholders. Please include information regarding Principals of Entity Principals, as well.

Principal #1:

Name:

Position:

Ownership %:

Home Address:

SS#:

Principal #2:

Name:

Position:

Ownership %:

Home Address:

SS#:

Principal #3:

Name:

Position:

Ownership %:

Home Address:

SS#:

Principal #4:

Name:

Position:

Ownership %:

Home Address:

SS#:

4. Existing borrowing relationships of Borrower and major principals:

Borrowing Entity:

Lender #1:

Name:
Type of Borrowing:
Reference Contact:
Phone Number:

Lender #2:

Name:
Type of Borrowing:
Reference Contact:
Phone Number:

Principals:

Lender #1:

Name:
Type of Borrowing:
Reference Contact:
Phone Number:

Lender #2:

Name:
Type of Borrowing:
Reference Contact:
Phone Number:

By signing this questionnaire, I (we) affirm the information contained herein and authorize M&T Realty Capital Corporation to take such steps as are necessary to confirm this information. To include but not limited to ordering credit reports and record searches for each Borrower and each Principal. I (we) further authorize all lenders identified above, as well as any other lenders of which M&T Realty Capital Corporation may become aware, to disclose all information concerning confirmation of liquid assets and any borrowing relationship I (we) may have had with that lender or financial institution.

Borrower:

By: _____

Title:

Date:

**UNDERWRITING CERTIFICATE
(Borrower)**

The undersigned, _____, a _____ (the "Borrower"), represents, warrants, and certifies to _____ (the "Lender") and to FANNIE MAE ("Fannie Mae"), and each of their respective successors and assigns, in connection with the proposed loan (the "Mortgage Loan") to be secured by a lien on that certain real property and improvements located thereon known as _____ and having a street address of _____, in the County of _____, State of _____, Zip Code: _____ (the "Property"), that the following statements and all attachments hereto are true, complete, and correct to the best knowledge of the undersigned:

1. The state in which the Borrower is formed, organized or incorporated at the case may be, is _____ [or, if the Borrower is a general partnership or trust: The state(s) in which the Borrower's principal place of business is/are _____] [or, if the Borrower is an individual: The state in which the Borrower's principal residence is located is _____].

2. The Borrower is not presently insolvent, and the proposed Mortgage Loan will not render the Borrower insolvent. As used in this Certificate, the term "insolvent" means that sum total of all of an entity's liabilities (whether secured or unsecured, contingent or fixed, or liquidated or unliquidated) is in excess of the value of all of such entity's non-exempt assets (i.e., all of the assets of the entity that are available to satisfy claims of creditors).

3. The following documents are attached hereto (check all that apply):

	ITEM	DATE OF DOCUMENT
<input type="checkbox"/>	Rent Roll	
<input type="checkbox"/>	Property Operating Statement	
<input type="checkbox"/>	Borrower Financial Statement	
<input type="checkbox"/>	Other: _____	
<input type="checkbox"/>	Other: _____	
<input type="checkbox"/>	Other: _____	

If any of the above documents are dated more than 12 months prior to the date of this Certification, then the undersigned certifies that there has been no change to the financial condition reflected in such statements that would negatively impact any decisions made in reliance on such statements.

The attachments hereto provide a complete, current and accurate account of the financial condition and results of operations of the Borrower, and the Property, as the case may be, as of the date each such attachment was prepared, and since such date, there have been no material adverse changes therein except as described in Exhibit A attached hereto.

4. The total amount of the Borrower's contingent liabilities that are not quantified in the Borrower's financial statement or, if quantified, a complete and accurate description of all of the Borrower's contingent and/or unliquidated liabilities is contained in such financial statement.

5. There is no current bankruptcy or any bankruptcy that has occurred within the previous 10 years of the undersigned, or of any entity in which the undersigned owns or has owned a significant interest except as may be reflected in Exhibit A attached hereto.

6. There is no pending or current litigation or judgments related to: (a) the undersigned's ownership or operation of any real estate that could materially and adversely impact the undersigned's financial condition, (b) the undersigned's ownership of a significant interest in any entity, or (c) any entity in which the undersigned owns a significant interest which could materially and adversely impact the entity's financial condition except as may be reflected in Exhibit A attached hereto.

7. There has been no litigation or judgments in the previous 10 years involving (a) Fannie Mae and the undersigned, or (b) Fannie Mae and any entity in which the undersigned owns or has owned a significant interest except as may be reflected in Exhibit A attached hereto.

8. If applicable, attached hereto in Exhibit A is an explanation as to the cause and resolution of any delinquencies, defaults, foreclosures, or deeds-in-lieu of foreclosure occurring during the previous 10 years in connection with loans to the undersigned or entities in which the undersigned owns or has owned a significant interest.

9. Check as many as are applicable:

Refinance Mortgage Loan: The Mortgage Loan is a refinancing of existing indebtedness and no change in the (i) ownership of the Property, (ii) any interest of any managing member or general partner of the Borrower, or (iii) 20 percent or more of the membership or limited partnership interests in or capital stock of the Borrower will occur in connection with the refinancing.

- Acquisition Mortgage Loan: All of the consideration given or received or to be given or received in connection with the acquisition of the Property has been fully disclosed to the Lender. The Property was or will be purchased from _____ (the "Seller"). Neither the Borrower, nor any general partner (if a limited partnership), nor any managing member (if a limited liability company), nor any other party who owns 10 percent or more ownership interest in Borrower has or had, directly or indirectly (through a family member or otherwise), any interest in the Seller and the acquisition of the Property is an arm's-length transaction. To Borrower's knowledge, the purchase price of the Property represents the fair market value for the Property.
- Transfer of any General Partner Interest: All of the consideration given or received or to be given or received in connection with the transfer of the interest in the Borrower has been fully disclosed to the Lender.
- Transfer of more than 20% of any Ownership Interest (other than General Partner Interest): All of the consideration given or received or to be given or received in connection with the transfer of the interest in the Borrower has been fully disclosed to the Lender.

10. There are no UCC financing statements on file in the state of _____ naming the Borrower as the debtor. If there are any, they do not cover any personal property at the Property or such UCC financing statements relate solely to any loan which is to be paid off with the proceeds of the Mortgage Loan.

11. The Borrower owns, or will own after the closing of the acquisition of the Property, all of the tangible personal property associated with the Property (other than personal property owned by tenants of the Property). Except as otherwise disclosed by the Borrower to the Lender in writing in the course of the transaction leading to the advance of the Mortgage Loan, the Borrower has not acquired any tangible personal property used in connection with the Property (and, therefore, in which the Lender expects to have a UCC security interest) other than from merchants selling those goods in transactions in the ordinary course of their business or, if the Borrower acquired tangible personal property used in connection with the Property from the Seller, the Borrower conducted appropriate UCC searches of the Seller and there were no UCC filings on file naming the Seller as the debtor and covering the goods purchased from the Seller by the Borrower.

[FOR A SMALL MORTGAGE LOAN OR MICRO LOAN ONLY AND BORROWER IS AN INDIVIDUAL):

12. The Borrower personally inspected the Property immediately prior to completing its Mortgage Loan application with the Lender.]

BORROWER:

Date: _____

By: _____

Name: _____

Title: _____

EXHIBIT A

If applicable, complete an explanation of any relevant matters involving the issues addressed in Items 3, 5, 6, 7 or 8 of this Certification.

Cooperative Retention of Amenities
Certification

The _____ (Cooperative Borrower Entity)

hereby certifies that it has retained, and wholly and directly owns all recreational facilities such as parking, pools and other amenities. The developer/sponsor has no ownership interest in any such recreational amenity.

Certified by: _____

Title: _____

Date: _____