

Fannie Mae Seniors Housing Required Underwriting Submissions List

The following items must be provided to M&T RCC in order to process your Seniors Housing Multifamily loan application. If you require any clarification concerning any of these items, please contact us. Some of the items will require some time to obtain or assemble. We suggest that you forward those items that you have readily available in order to expedite our processing. Please note that M & T Realty Capital must receive all items at least three (3) business days prior to rate lock.

Please note, as part of the underwriting process, an appraisal, engineering study/physical needs assessment and Phase I Environmental Site Assessment will be ordered. Also, an Operations and Management Report will be ordered that analyzes property operations, management procedures and the capabilities of the owner and operator of the property. In addition, if the property is a licensed facility, a Regulatory Compliance Report will be ordered.

- ___ 1. A current financial statements for the Borrower, Key Principal¹ and all Principals², to be dated within 6 months of Application Date.
- ___ 2. A current list of contingent liabilities for the Borrower, Key Principal and all Principals.
- ___ 3. Execution of the attached **Underwriting Certificate** (Form 4667) by the Borrower, Key Principal and Principal(s).
- ___ 4. For purposes of obtaining necessary credit checks, please complete the attached **Credit History Questionnaire**.
- ___ 5. For each Key Principal and Principal, provide copies of recent bank and/or brokerage account statements for the purpose of verifying liquidity.
- ___ 6. Provide a schedule of real estate holdings for each Principal. The attached **Schedule of Other Real Estate Holdings (Schedule "A")** may be filled in or used as a template or you may use your own internally prepared form so long as the same information is provided (Excel version attached). **Please note: Occupancy date and annualized net operating income shall be within 90 days of Application Date.**
- ___ 7. Description of the Borrowing entity and any Principals, which are entities, including copies of the partnership agreements, articles of incorporation and by-laws or trust documents.
- ___ 8. Complete attached **IRS Form W-9** for the Borrowing entity, for purposes of certifying the Taxpayer Identification Number (TIN). Return the original to us.
- ___ 9. A resume of the Borrower and the Key Principal(s) describing their specific experience in the ownership and management of Seniors Housing facilities. The Key Principal of the Borrower must have at least five years experience in the ownership and operation of at least 5 Senior Housing facilities.
- ___ 10. A copy of the current Management Contract and a qualification statement of the management firm, including a list of fee managed Senior Housing facilities.

¹ A Key Principal is the individual(s) or entity(ies), who will sign for the non-recourse carveouts.

² A Principal is defined by Fannie Mae as any person or entity that is general partner (partnership) or managing member (LLC) of the Borrower; or any person or entity, which, as a limited partner, member or stockholder (corporation), has a 25% or greater ownership interest in the Borrower. If a Principal is an entity, indicated submissions for its Principal(s) are also required.

- ___ 11. A copy of management's marketing plan for the subject.
- ___ 12. A copy of the resident assessment policy, or other applicable report, documenting that the resident's personal care is appropriate for their current level of need.
- ___ 13. A copy of the Operating Lease, if applicable.
- ___ 14. A current rent roll for the property that will be certified by the Borrower's **Underwriting Certificate (Form 4667)** attached. The month of the rent roll should be the same as the most recent month for which property NRI information is provided (see #15 below). The rent roll report (or separate statement must specifically identify each unit type, and include the term of the lease for all tenants. In addition, all tenants receiving a subsidy of any kind. Include any Section 8 Housing Assistance Program Contract (HAP), Regulatory Agreement, or other income/rent restriction documents, if applicable. In addition the rent roll should:
- Provide a list of all sources of service income, such as food service and fees charged for Activities of Daily Living (ADLs), which are not included in the monthly base rent. Identify any tenants who presently occupy the unit under a lease for which a rent concession was given and describe the nature of the concession.
 - Indicate whether Medicaid funds are used to pay for services provided in Assisted Living facilities. If so, document the provisions of the State Medicaid regulations or Medicaid waiver that permits the use of Medicaid funds to pay for Assisted Living resident services.
- ___ 15. Income and expense statements and balance sheets for the prior three full years and a) a YTD (only if 6 months or more); or b) a statement for the preceding 12 months, if available. A budget for the current year or next year, if available. If not detailed on the income and expense statements, provide a YTD (if applicable) and three-year statement for other income sources (second occupant, assisted living services, guest meals, assessment fees, medication management fees, application fees, late fees, commercial income, etc.).
- ___ 16. Monthly operating statements (income portion only), or a separate schedule indicating monthly net rental income collected for the most recent 12 month period. If the statement described in 14(b) above includes income information for each of the 12 months, it will also complete the submission for this item.
- ___ 17. If the data does not appear on the income and expense statement, provide a schedule of rent concessions and rent loss from bad debt or write-offs for the YTD (if 6 months or more), or the most recent calendar year.
- ___ 18. Provide month-by-month occupancy rates for the past two full years and year-to-date.
- ___ 19. Copies of the real estate tax bills for the prior two years.
- ___ 20. Copy of a single water and sewer bill, and a single electric bill.
- ___ 21. 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).
- ___ 22. List of major repairs and replacements, with costs, for the property for the year to date and previous three years.

- ___ 23. A list of on-site employees showing job titles, salaries, cost of fringe benefits and free or reduced rents.
- ___ 24. Provide a statement indicating what costs, if any, are shared with other properties, e.g., personnel, contract services, etc.
- ___ 25. Copy of the most recent market survey by the borrower/management.
- ___ 26. If requesting a refinance, please complete the top portion and sign the attached **Verification of Mortgage Loan and Loan Payment History** form, which authorizes the release of the information, and return the form to M&T RCC. The current lender must also provide a two year payment history attached to the form.
- ___ 27. Provide a rundown of sources and uses of funds from this financing.
- ___ 28. An existing as-built survey or site plan showing all improvements.
- ___ 29. If the engineer performing the physical needs assessment of the property is unable to confirm no presence of termites at the property, a letter from your pest control company indicating there is no infestation, or a recent termite inspection report will be required.
- ___ 30. Provide copies of all current permits, licenses, and a copy of your most recent fire inspection report. A copy of the certificate(s) of occupancy must be provided.
- ___ 31. Copy of the current resident lease form, and all addenda.
- ___ 32. Preliminary title report or a copy of your most recent title policy, which should include copies of any reciprocal use easements that might burden or benefit the property.
- ___ 33. If acquisition is pending, provide a copy of the purchase contract and addenda, or a copy of the settlement sheet if acquired within the last 12 months.
- ___ 34. Copies of any commercial lease(s), if any.
- ___ 35. Copy of ground lease, if applicable.

Please do not hesitate to contact us if we can be of any assistance in obtaining these items.

Processor Comments:

**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.

**UNDERWRITING CERTIFICATE
(Key Principal/Principal)**

The undersigned, _____ (the "Key Principal/Principal") 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 made to _____ (the "Borrower"), which Mortgage Loan is 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 of the undersigneds' knowledge:

1. The state in which the Key Principal/Principal has its primary residence is _____ [or, if an entity Key Principal/Principal is permitted: The state in which the Key Principal/Principal is organized is _____] [or, if the Key Principal is a general partnership or trust: The state(s) in which the Borrower's principal place of business is/are _____].

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

	ITEM	DATE OF DOCUMENT
<input type="checkbox"/>	Key Principal/Principal Financial Statement	
<input type="checkbox"/>	Schedule of Real Estate Owned	
<input type="checkbox"/>	Schedule of Contingent Liabilities	
<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 undersigned certifies that the attached statements/schedules (a) are true and correct, (b) provide a current and accurate account of the financial condition of the undersigned, and (3) there have been no material adverse changes in the matters reflected in the attached financial statement/schedules or, if any, such change is detailed in Exhibit A attached hereto.

3. 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.

4. There is no pending or current litigation or judgments related to: (a) the undersigned's ownership or operation of any real estate which 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.

5. 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.

6. If applicable, attached 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.

[FOR A SMALL MORTGAGE LOAN OR MICRO LOAN ONLY AND BORROWER IS AN ENTITY]:

7. The Key Principal personally inspected the Property immediately prior to the Borrower's completion of its Mortgage Loan application with the Lender.]

Date: _____

KEY PRINCIPAL:

Name: _____

Title: _____

Date: _____

PRINCIPAL:

Name: _____

Title: _____

EXHIBIT A

If applicable, complete an explanation of any relevant matters involving the issues addressed in Items 2, 3, 4, 5 or 6 of this Certification.

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:

Property Name:

Name: _____

Schedule Of Other Real Estate Holdings**

Schedule: "A"

Date:

	Property Name	Property Type	Units/ Sq. Ft.	Year Built	Occ. % As of (1)	NO (2)	Value (3)	Loan Amount	2nd Loan \$	Total Loan	Total Equity	Debt Service	Debt Coverage	Lender	Due Date	% Ownership	Owned Since	Equity	Cash Flow	Recourse Y/N	
1																					
2																					
3																					
4																					
5																					
6																					
7																					
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22																					
23																					
24																					
25																					
	Total																				

(1)Occupancy date to be within 90 days of Application.

(2)Annualized Net Operating Income to be within 90 days of Application.

(3)Identify how value was determined.

