

## Fannie Mae Small Loan Required Underwriting Submissions List

The following items must be provided to M & T Realty Capital Corporation (M&TRCC) in order to process your multifamily permanent 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 submission items at least three (3) business days prior to rate lock.

As part of the underwriting process, an appraisal and Environmental Transaction Screen will be ordered. A Physical Needs Assessment may be ordered, as well, based on the results of M&TRCC's site inspection.

- \_\_\_ 1. A current financial statement for Borrower(s) and all Principals<sup>1</sup> (see footnote below), to be dated within 6 months of Application Date.
- \_\_\_ 2. A current list of contingent liabilities for Borrower(s) and all Principals.
- \_\_\_ 3. 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.**
- \_\_\_ 4. To verify liquid assets of the Borrower and all Key Principals, please provide copies of **bank and/or brokerage statements for the two (2) month period immediately preceding the loan application.** (All statements must clearly identify the Borrower or Key Principal, as the account holder and included the account number, date of statement, and ending account balance)
- \_\_\_ 5. For purposes of obtaining necessary credit checks, please complete the attached **Credit History Questionnaire.**
- \_\_\_ 6. 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.
- \_\_\_ 7. Complete attached **IRS Form W-9** for the Borrowing entity, for purposes of certifying the Taxpayer Identification Number (TIN). Return the original to us.
- \_\_\_ 8. A resume for each Principal describing general experience and expertise in the area of income property and multifamily ownership and operation.
- \_\_\_ 9. For the Borrower and each Principal, complete the attached **Underwriting Certificate (Form 4667)**. The form may be duplicated.

---

<sup>1</sup> 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 50% or greater ownership interest in the Borrower. If a Principal is an entity, indicated submissions for its Principal(s) are also required.

- \_\_\_ 10. Current rent roll for the property certified using Fannie Mae's **Underwriting Certificate (Form 4667)** attached. The rent roll report (or separate statement) must specifically, identify each unit type, all tenants receiving a subsidy of any kind, tenants employed by the military and full time graduate and undergraduate students. Include any Section 8 Housing Assistance Program Contract (HAP), Regulatory Agreement or other income/rent restriction documents, if applicable any Section 8 Housing Assistance Program Contract (HAP), Regulatory Agreement or other income/rent restriction documents, if applicable.
- \_\_\_ 11. Certified income and expense statements and balance sheets for the prior two (2) full years and YTD (only if 6 months or more); or b) a statement for the preceding 12 months, if available. A budget for the current year must also be submitted. If not detailed on income and expense statements, provide a two-year statement of income for corporate premiums, commercial space and ancillary income (pet fees, NSF fees, etc.).
- \_\_\_ 12. Provide information on occupancy rates (month-by-month) and collection experience on attached form or provide a similar format.
- ◆ If 10 units or less provide information for past twelve months
  - ◆ If 11-50 units provide information for past 90 days
- \_\_\_ 13. Copies of real estate tax bills for the past two years.
- \_\_\_ 14. . 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 (2003 or 2006 version) combined with an ACORD 25S; or, b) an ACORD 75S. (The guidelines are included with the submissions list).
- \_\_\_ 15. 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 loan history. The current lender must also provide a two-year payment history attached to the form.
- \_\_\_ 16. Provide a rundown of sources and uses of funds from this financing.
- \_\_\_ 17. A copy of the current management contract and a qualification statement of the management firm.
- \_\_\_ 18. Copy of most recent market survey prepared by borrower/management for the subject property.
- \_\_\_ 19. List of major repairs and replacements, with costs, for the property for the previous twelve (12) months.
- \_\_\_ 20. A list of on-site employees showing job titles, salaries, cost of fringe benefits and free or reduced rents.
- \_\_\_ 21. An existing as-built survey, if available, or site plan showing all improvements.
- \_\_\_ 22. Preliminary title report or a copy of your existing title policy, which should include copies of any reciprocal use easements that might burden or benefit the Property.
- \_\_\_ 23. Provide copies of all current permits, business license and most recent fire inspection report. A copy of the certificate of occupancy must be provided, if available.

- \_\_\_ 24. If the inspector performing the physical needs assessment of the property is unable to confirm no evidence 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.
- \_\_\_ 25. For recently completed properties (past 12 months), we will need additional rent rolls to document that the property has sustained 90% occupancy for three months prior to locking the interest rate.
- \_\_\_ 26. Copies of commercial lease(s), if any.
- \_\_\_ 27. If acquisition is pending, provide a copy of the purchase contract and addenda, or copy of settlement sheet, if acquired within last 12 months.
- \_\_\_ 28. Copy of ground lease, if applicable.
- \_\_\_ 29. Monthly operating statements (income portion only) or separate schedule indicating monthly net rental income collected for the preceding 12 months. If the statement described in 10(b) above includes income information for each of the 12 months, it will also complete the submission for this item.

**Processor Comments:**

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)	NOI (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																				
8																				
9																				
10																				
11																				
12																				
13																				
14																				
15																				
16																				
17																				
18																				
19																				
20																				
21																				
22																				
23																				
24																				
25																				
	<b>Total</b>																			

(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.

**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.**

**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 undersigned's 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.**

