

Reduced Occupancy Affordable Rehab



Think you need a construction loan to renovate your affordable property? Think again.

Get the capital you need to renovate your Multifamily Affordable Housing (MAH) property – without a construction loan – with our Reduced Occupancy Affordable Rehab (ROAR) permanent financing solution. ROAR offers an increased scope of work, higher leverage, and all the benefits of Fannie Mae financing – certainty of execution, speed, and the flexibility of our single-asset security.

Other ROAR features include interest-only payments during the renovation period, rehab costs of up to \$120,000 per unit, and 50% minimum occupancy and 1.0x minimum DSCR during the rehab period. It's your one loan solution for construction and permanent financing.

Experienced and seamless

- Proceeds are fully funded at closing
- Up to 90% of "as stabilized" LTV during the rehab period
- Increased leverage opportunities when underwritten to "as improved" rents
- Experienced, dedicated affordable team partners with you to provide expert solutions

Rely on us

- Initial cash execution and our single-asset security allow for customized loan structures
- Delegated risk-sharing model provides certainty of execution, faster decisions, and quicker loan closings
- Experts who know the business and understand complex transactions
- Life-of-loan servicing means no other master or special servicer and seamless post-closing activities

Contact a Fannie Mae representative to learn more about how our financing solutions can help you compete.

Our terms at a glance

Fannie Mae ROAR

Loan amount	\$5 million minimum and no maximum
Eligible properties	All stabilized MAH properties undergoing major renovations, up to \$120,000 per unit
Term	5-30 years
LTV	90% for properties with LIHTC 80% for other property types
Minimum DSCR	1.15x for fixed "as stabilized"
Amortization	Up to 35 years
Interest only	Partial- and full-term interest-only loans are available during the permanent phase
Taxable or tax-exempt interest	Tax-exempt or taxable
Execution costs	Closing costs incurred for permanent loan financing only
Loan disbursement	Proceeds are fully funded at closing
Prepayment terms	Yield maintenance or declining prepayment options tailored to transaction requirements