

Small Mortgage Loans

Fannie Mae's 3MaxExpress product offers flexible loan terms and streamlined processing for loans up to \$3 million (up to \$5 million in certain MSAs).

Borrowers Want

3MaxExpress Delivers

Flexible terms for small loans	Fixed-rate or ARM, Balloon or Fully Amortizing loans, with a wide choice of terms and prepayment options, including Yield Maintenance, Defeasance and Graduated Prepayment Premiums
Streamlined processing and underwriting	Lenders have delegated authority to underwrite 3MaxExpress loans. Streamlined third party reports and data requirements shorten the loan processing time.
Low cost execution	Streamlined process reduces transaction costs and may allow financing of some of these costs
Competitive pricing	Fannie Mae Cash and MBS (securitization) executions allow lenders to offer consistent and competitive pricing, nationwide.

Loan Amount	\$750,000-\$5,000,000 in Baltimore, Boston, Chicago, Los Angeles, New York, San Francisco, San Jose, Seattle and Washington DC \$750,000-\$3,000,000 in all other eligible markets
Loan Terms	Balloon loan terms of 5, 7, 10, or 15 years with amortizing terms up to 30 years, fully amortizing loans with terms up to 30 years, or hybrid ARM loan terms of 30 years with 7 or 10 years fixed
Amortization	25 or 30 years, based on the age of property and condition
Prepayment Penalty	Fixed Rate: Yield maintenance formula with a 1% minimum (Declining Percentage Fee schedule is available upon request)
Recourse	Non-recourse lending in select large markets; subject to Lender's discretion
Debt Service Coverage	1.25x minimum DSCR
Loan to Value	Up to 75% maximum LTV for refinance and 80% for acquisitions
Subordinate Financing	Supplemental mortgages are available after the first 12 months of the loan term or loan assumption
Occupancy	Properties must demonstrate a minimum of 90% for a 12 month period prior to commitment, with 90% for 90 days available on a case-by-case basis
Assumability	Non-recourse loans are assumable with the Lender's consent and a 1% fee
Taxes and Insurance Escrows	Required for Tier II business and generally not required for Tiers III and IV
Net Worth and Liquidity	Net worth equal to the loan amount and liquidity equal to 6 months P&I required
Replacement Reserve Escrows	Generally not required for qualifying borrowers
Rate Lock	Rate lock occurs after commitment is issued; The early rate lock option is also available for a fixed rate and hybrid ARM loans
Fees	Due Diligence Fee: \$4,500-\$8,500 non-refundable fee for 3 rd party reports and processing; fees due at application apply to fixed-rate loans and may vary by market; fees may be made refundable at closing with a corresponding spread increase; Rate Lock Deposit: Good Faith Deposit of 1% to 2% due upon acceptance of commitment and is refundable upon closing
Timing	45-60 days from complete application to commitment