

Walker & Dunlop Closes \$16,000,000 Construction to Permanent Loan for Post-Katrina New Construction Project

New Orleans, Louisiana – May 12, 2010 – Walker & Dunlop provided a \$16,000,000 construction to permanent loan for Canterbury House Apartments – Sherwood located in Baton Rouge, Louisiana. The loan was structured with a forward commitment 30-year term and a 35-year amortization. The loan was underwritten to a 79 percent loan-to-value with a 1.20x debt-service coverage ratio utilizing Gulf Opportunity Zone Bonds and Fannie Mae's variable rate bond forward commitment product. Walker & Dunlop successfully committed and converted this post-Katrina new construction project which helped deliver much needed market rate and affordable housing to the Baton Rouge market.



“Fannie Mae remains committed to aiding the Gulf Coast recovery and to supporting affordable rental housing and community development,” said Bob Simpson, Vice President of Affordable Lending, Fannie Mae. “We were pleased to partner with Walker & Dunlop on this forward conversion and provide financing in the Baton Rouge market.”

Canterbury House is a 216-unit, garden multifamily mixed-income community, built between 2008 and 2009. Property amenities include a clubhouse with kitchen, 34 storage units, leasing office, tanning room, swimming pool, fitness center, playground, business center and dog park. The property was 91% leased at closing.

The borrower stated, “Ground up construction was sorely needed in the Gulf Opportunity Zone, as shown by the demand for the units, but very challenging following Hurricane Katrina. Our team, including the Louisiana Housing Finance Authority, Fannie Mae, Foley & Judell, Bank of New York, Piper Jaffray & Co., Charter One, Baronne Title and Manatte/Phelps/Phillips, was led by Walker & Dunlop and provided a terrific construction to permanent loan execution. Tax-exempt bond deals are never simple, but it really helps to work with folks like Walker & Dunlop that have been there before, know the obstacles you’ll face and stick with you to pull it through to the goal line.”

Stephen Farnsworth, Senior Vice President, Multifamily Finance, (504/585-0581, sfarnsworth@walkerdunlop.com) led the Walker & Dunlop team.

About Walker & Dunlop

Walker & Dunlop, established in 1937, is a real estate finance company and one of the largest multifamily lenders in the United States. The Multifamily and FHA Finance groups of Walker & Dunlop are focused on lending to property owners, investors, and developers of multifamily properties across the country. As a Fannie Mae DUST™,

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Freddie Mac Program Plus® and Map- and Lean-approved FHA lender, Walker & Dunlop lends on most major multifamily asset classes including market-rate apartments, affordable apartments, manufactured housing developments, seniors housing, and student housing. The Capital Markets and Principal Investments groups of Walker & Dunlop provide a broad range of advisory, financing, and investment services to clients across the Mid-Atlantic region. In 2009, Walker & Dunlop originated more than \$2.4 billion in commercial real estate financing. The company services over \$13.2 billion of commercial mortgages and asset manages over 1,500 properties across the country. Additional information on Walker & Dunlop can be found at www.walkeranddunlop.com.

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