

**[FORBEARANCE AGREEMENT FORM TO BE SENT ON SERVICER LETTERHEAD
– DRAFTING NOTES BELOW TO BE REMOVED FROM VERSION SENT TO
BORROWERS.]**

[Date]

VIA EMAIL AND
OVERNIGHT DELIVERY

Re: Fannie Mae Loan No. _____ (the "Loan")
_____ Apartments (the "Property")

[DRAFTING NOTE: For properties with supplementals or crossed with other loans and properties, add additional loan numbers and property descriptions. If needed, a schedule can be added to the forbearance agreement and "See attached schedule" should be inserted.]

Forbearance and Non-Waiver

Dear _____:

Reference is hereby made to the \$_____ Multifamily Note dated _____ (the "Note"), executed by _____ ("Borrower"), payable to the order of _____ (the "Servicer"). Servicer assigned, negotiated and transferred the Note to Fannie Mae, the current owner and holder of the Note. Capitalized terms not defined herein shall have the meaning ascribed to such term in the Loan Documents.

1. On March 11, 2020, the World Health Organization Director-General characterized the spread of the COVID-19 virus as a pandemic (the "Health Crisis"). On March 13, 2020, the President of the United States of America declared a federal emergency in response to the Health Crisis. Because of the Health Crisis, Borrower has failed to make or reasonably foresees its inability to make the required monthly payment under the Note. **[Insert if applicable: Accordingly, the Loan and Note are currently delinquent for the months of _____, _____ and _____, 2020.]** Borrower's obligation to make these monthly payments under the Note has not been waived by Fannie Mae but continue to be due and payable, subject to the terms and conditions described herein.
2. Borrower represents to Fannie Mae and Servicer the operations and financial performance of the Property have suffered a hardship as a result of the Health Crisis such that short-term relief from Borrower's obligations is needed. As an accommodation to Borrower to allow Borrower the opportunity to stabilize the operations of the Property, and to commence processing applicable insurance claims or other claims for relief from available resources, and notwithstanding the defaults as a result of the delinquent monthly payments and/or other defaults that may exist,

Fannie Mae has agreed to forbear from exercising its rights and remedies under the Note and other Loan Documents on the terms set forth herein.

3. Fannie Mae will continue to forbear from exercising its rights and remedies until _____, 20__ (“Forbearance Expiration Date”) **[DRAFTING NOTE: This date to be the last day of the month or months through which the forbearance period covers. Servicer may grant the initial forbearance for a single month, so long as Servicer provides extensions to the borrower in accordance with the CARES Act. This date not to exceed three (3) months of payment obligations without Fannie Mae’s express written consent.]**; conditioned, however, on Borrower’s cooperation with and providing monthly rent rolls, monthly rent collection reports, monthly operating statements, and such other information as requested by Servicer to determine the on-going nature of the hardship, the extent of the operational needs of the Property and such other action or relief that may be necessary. **[Insert if forbearance exceeds 30 days: To the extent the Forbearance Expiration Date exceeds thirty (30) days from the date hereof, Borrower represents it has requested the extension or extensions allowed under the CARES Act to be entitled to the total period of relief granted herein.]**

4. Borrower will be required to bring the Loan current at the Forbearance Expiration Date or through the payment of the outstanding forbearance amounts due in equal monthly installments to be repaid on a schedule not to exceed twelve (12) months following the Forbearance Expiration Date and to be repaid in addition to the then current monthly obligation due under the Note and other Loan Documents. If Borrower elects to repay the outstanding forbearance amounts due in monthly installments, Borrower may prepay the outstanding forbearance amounts due at any time without a prepayment premium. Notwithstanding the foregoing, Borrower shall bring the Loan current upon receipt of Business Income (business interruption/rent loss) insurance proceeds by Borrower or Servicer or upon receipt of any other financial relief or assistance available to Borrower from any other source, including, but not limited to, any local, state, or federal government assistance or relief program.

In the event Borrower fails to timely perform any of its obligations under this paragraph 3, Fannie Mae's agreement to forbear from exercising its rights and remedies under the Note and other Loan Documents shall immediately terminate, without further notice or demand, and Fannie Mae may, at its option, accelerate the Note and/or exercise any and all other rights and remedies available to it under the Loan Documents, at law or in equity.

5. If Servicer is in receipt of Borrower's insurance proceeds, these insurance proceeds and any other insurance proceeds with respect to the Property (including business income/business interruption/rent loss insurance) will be held in escrow by Servicer, on behalf of Fannie Mae, pending Borrower's completion and delivery of those items described in the Loan Documents, with respect to the use of the insurance proceeds. Such insurance proceeds shall continue to be held in escrow by Servicer in an Insurance Proceeds Collateral Account for reimbursement to Borrower for costs of stabilizing the Property and/or applied to the Loan, as provided by the Loan Documents.

6. Monthly installments under the Note are due on the _____ day of each month and are subject to a late fee if received after the _____ (____th) day of each month. In addition, the Note and other Loan Documents provide for the charging of interest at a default rate of _____ percent (____%) during the period that Borrower is in default. **[OPTIONAL PROVISION AT SERVICER'S DISCRETION:** Upon the timely performance by Borrower of its obligations listed in paragraph 3 above, Fannie Mae and Servicer agree to waive collection of such late fees and default interest. In the event, however, Borrower fails to perform as described in paragraph 3 above or seeks protection under federal or state bankruptcy or insolvency laws prior to the expiration of Fannie Mae's agreement to forbear, such late fees and default interest shall be fully due and payable by Borrower.]
7. As additional consideration for the relief granted herein by Fannie Mae, Borrower expressly agrees to not pursue or initiate, and agrees to defer, halt, cease, and abate, any eviction or similar action against any tenant solely on the basis of such tenant's inability to pay his or her rent obligation to Borrower. Borrower agrees to be bound by the eviction suspension until the longer of (i) the moratorium imposed under Sec. 4024 of the CARES Act, (ii) the Forbearance Expiration Date, or (iii) any longer period otherwise mandated by law.
8. Until Borrower is current on its obligations to Fannie Mae, Borrower agrees any revenue or income generated by the Property, whether from rents or other sources, will be used solely for allowable normal and customary operating expenses and approved capital expenditures. Borrower further agrees no fees, charges, or compensation, except as provided herein for management fees, shall be paid or distributed to Borrower, its general partners, limited partners, members, or other related persons or entities, if any, or to any affiliates thereof, until Borrower is current on its obligations to Fannie Mae.

For each month through the Forbearance Expiration Date, Borrower agrees to remit to Servicer, no less frequently than monthly, all net operating income from the Property ("NOI"), as defined below. Borrower's remittance of NOI does not replace or waive Borrower's obligation to make the required installments on the Loan.

NOI shall mean all revenue or income generated by operations of the Property, including, but not limited to, rental receipts, late fees, application fees, forfeited deposits, laundry and vending income, furniture rental, and insurance proceeds, less only those allowable expenses and approved capital expenditures relative to the operation of the Property. Allowable expenses shall include a management fee not to exceed the lower of the current contract fee or five percent (5.0%) of the actual collections (which collections do not include insurance proceeds or condemnation awards) per month.

Each month, the tender of NOI is to be accompanied and supported by a statement of monthly income and expenses which has been certified by an appropriate representative of Borrower as entirely true, correct and complete. This statement is to be prepared on a cash basis, in such detail as may be requested by Fannie Mae or Servicer, and must be received by Servicer with such cash payments no later than

the 10th calendar day of the month following the month reported for. For example, the NOI and statement for the period ending April 2020, must be received by Servicer on or before May 10, 2020.

Fannie Mae may use the funds provided by Borrower in any order and for any purpose which is related directly or indirectly to the Loan Documents or to the Property including, without limitation, the payment of attorneys' fees or other charges incurred by Fannie Mae, application to principal or interest due under the note evidencing the Loan, payment for repairs or capital expenditures for the Property, or any other purpose determined by Fannie Mae in its sole and absolute discretion and in accordance with the Loan Documents. The receipt and application of such funds by Fannie Mae shall not constitute a waiver of any amounts due under the Loan Documents or of any default in connection therewith.

9. Notwithstanding Fannie Mae's agreement to forbear from exercising its rights and remedies, and the acceptance of any partial payments at any time by the Servicer, the Note remains in default, and Fannie Mae does not waive any defaults set forth in this letter, or any other defaults which may exist or arise under the Note and any Loan Document executed in connection with the Note. This letter is to evidence Fannie Mae's and Borrower's agreement for forbearance and does not, and should not be deemed to, amend or modify the Note, the other Loan Documents or Borrower's obligations thereunder. Acceptance of late payments does not imply that any future late payments will be accepted by Fannie Mae or Servicer, and shall not be deemed a waiver of Fannie Mae's right to reject late payments, assess late charges, charge a default rate of interest, or prevent Fannie Mae from exercising any right, remedy, or power available to Fannie Mae, including, without limitation, all rights, remedies, and powers granted under the Note and any Loan Documents and at law or in equity.
10. By signing the Acceptance included herein, Borrower unconditionally acknowledges to be indebted to Fannie Mae for all amounts presently unpaid and outstanding under the Note, in principal, interest, and other amounts, without defense, setoff, deduction or counterclaim of any kind whatsoever, all of which are forever waived and released.
11. By signing the Acceptance included herein, Borrower additionally unconditionally acknowledges and agrees that no act, event or circumstance occurring since the date of the Note and the other Loan Documents shall give rise to any claim or cause of action (regardless of whether based on common or civil law, equity, statute, regulation, or other grounds) against Fannie Mae or Servicer, or against any of their respective officers, directors, employees, successors, assigns, agents, and attorneys (collectively, the "Released Parties"), with Borrower hereby unconditionally and fully releasing and forever discharging the Released Parties from all actions, causes of action, claims and/or demands of every nature whatsoever, whether at law or in equity, in tort or in contract, or otherwise, and whether known or unknown, or present or contingent, including release of any rights to recover consequential or punitive damages, that Borrower may now have as against any Released Party, further including any and all claims in connection with the Loan, this forbearance agreement, or any extension of credit, refusal to extend credit, waiver, acquiescence, or any other act or failure to act in connection with any matter pertaining to the Note, the Security

Instrument, and/or the Loan Documents. Borrower expressly acknowledges this paragraph is intended to include any claim or action Borrower may assert now or in the future against Fannie Mae or Servicer arising out of or from the Borrower's agreement to the eviction suspension described herein.

12. Borrower represents: (i) it is a sophisticated commercial real estate investor that has had the opportunity to be represented by independent counsel of its own choosing, (ii) it or its authorized parties have carefully read and fully understand this agreement in its entirety, and (iii) it is fully aware of the contents herein and its meaning, including any risks related thereto. Borrower further represents the individual executing this letter has been duly authorized to act on behalf of Borrower, has executed this agreement free from coercion, duress or undue influence, and that the agreements set forth herein are part of an arms-length transaction. Borrower affirms it has not relied upon any guidance from Fannie Mae or Servicer in its decision to enter into this agreement. Borrower agrees it is not a third-party beneficiary of any certification of Servicer to Fannie Mae related to this agreement or of any contract or agreement between Servicer and Fannie Mae.
13. This Agreement may be signed or executed using electronic signatures. This Agreement may be executed in as many counterparts as necessary or convenient, including both counterparts that are executed on paper and counterparts that are electronic records and executed electronically. Each executed counterpart (and any copy of an executed counterpart that is an electronic record) shall be deemed an original, and all such counterparts shall constitute one and the same agreement. An electronic or other copy of a signed document shall be considered as effective as an original. By signing this Agreement, Borrower agrees that Fannie Mae and Servicer may deliver communications electronically, that this Agreement, other Loan Documents, and any communications may, at Fannie Mae and Servicer's option, be signed or executed using electronic signatures, and that the use of electronic records and signatures will be in place of written documents and handwritten signatures. If Borrower executes this Agreement electronically, Borrower agrees that the electronic mark affixed to this Agreement constitutes the signature of an individually legally authorized to act on behalf of Borrower and will be enforceable as and to the full extent of a hand-written signature.

[NO FURTHER TEXT ON THIS PAGE. SIGNATURES FOLLOW.]

If you have any questions regarding this matter, please do not hesitate to call me at _____ or email me at _____.

Sincerely,

By: _____
Name _____
Title: _____

By the signature above, Servicer represents and certifies to Fannie Mae Servicer has acted as a prudent commercial real estate lender and conducted sufficient due diligence and reviewed the information and documents necessary to document the Borrower's hardship and determine the relief granted herein for the Borrower is necessary.

BORROWER ACCEPTANCE:

ACCEPTED AND AGREED this ___ day of _____, 20___.

By: _____
Name _____
Title: _____