

Apartment refinance checklist

apartment.loans/apartment-refinance-checklist/ · Every document a 5+ unit refinance needs, by stage.

Before you call lenders

- ☐ **Copy of your current note and loan agreement, with the maturity date marked** YOU
Every refinance date works back from maturity.
- ☐ **Prepayment terms: lockout end, penalty type and open-window start date** YOU
The exit cost decides whether refinancing now pays.
- ☐ **One line on the goal: payoff, cash out, lower payment, remove recourse, or exit a bridge** YOU
Lenders structure the loan around what it has to do.
- ☐ **Target loan amount, term, fixed or floating, and prepayment preference** YOU
Quotes are only comparable when they price the same request.
- ☐ **Your estimate of value with recent comparable sales** YOU
Leverage limits are applied to value, so a realistic number avoids surprises at appraisal.
- ☐ **A sizing check at today's rates using lender-adjusted NOI** YOU
It shows whether the deal covers the payoff before anyone orders reports.

Property financials

- ☐ **Trailing twelve-month operating statement (T-12), month by month** PROPERTY MANAGER
Lenders underwrite NOI from actual trailing results.
- ☐ **Operating statements for the prior two to three calendar years** PROPERTY MANAGER
They show the trend behind the trailing twelve months.
- ☐ **Current certified rent roll with unit, type, rent, lease dates, deposits and concessions** PROPERTY MANAGER
It is the lender's source for occupancy, in-place rent and lease rollover.
- ☐ **Delinquency and aged receivables report** PROPERTY MANAGER
Lenders size on rent collected, not rent billed.
- ☐ **Operating account bank statements for recent months** YOU
Deposits verify that reported collections are real.
- ☐ **Current-year operating budget** PROPERTY MANAGER
It explains expected changes in expenses the lender will underwrite.
- ☐ **Most recent property tax bills and any pending appeal** YOU
Taxes are usually the largest expense lenders trend forward.
- ☐ **Current insurance declarations pages and premium invoices** YOU
Insurance cost and coverage are underwritten and must meet lender requirements.
- ☐ **Utility bills and any ratio utility billing income detail** PROPERTY MANAGER
They support utility expense and reimbursement income lines.
- ☐ **Other income detail: parking, laundry, storage, fees** PROPERTY MANAGER
Lenders only count other income that is recurring and documented.

- ☐ **Capital expenditure history for recent years** YOU
It shows the condition story behind the property condition report.

Property information

- ☐ **Unit mix: count, bedrooms, square footage by unit type** PROPERTY MANAGER
Rents and value are compared per unit and per square foot.
- ☐ **Current exterior, interior and amenity photos** YOU
Lenders screen condition before committing to reports.
- ☐ **List of renovated units, scope and cost** YOU
It supports premium rents and lower future capital needs.
- ☐ **Standard lease form and a sample of executed leases** PROPERTY MANAGER
Lenders confirm lease terms match the rent roll.
- ☐ **Management agreement and major service contracts** YOU
The lender reviews fees and termination rights and may require a subordination.
- ☐ **Any regulatory agreement, rent restriction or housing assistance contract** YOU
Restrictions change underwritten rents and program eligibility.
- ☐ **Open code violations, permits and certificates of occupancy** YOU
Open violations can hold up closing or require escrows.
- ☐ **Prior appraisal, property condition and environmental reports** YOU
They help the lender scope new reports and spot issues early.

Sponsor and borrowing entity

- ☐ **Ownership organizational chart showing every owner and percentage** YOU
Lenders identify key principals and anyone needing background checks.
- ☐ **Borrowing entity formation documents and operating agreement** ATTORNEY
The lender confirms who can sign and whether the entity meets single-purpose rules.
- ☐ **Certificate of good standing for the borrowing entity** ATTORNEY
It confirms the entity legally exists and can borrow.
- ☐ **Personal financial statement for each key principal and guarantor** YOU
Lenders test net worth and liquidity against the loan.
- ☐ **Schedule of real estate owned with debt on each property** YOU
It shows experience and contingent liabilities.
- ☐ **Recent brokerage and bank statements proving liquidity** YOU
Stated liquidity has to be verified.
- ☐ **Recent tax returns for principals and the entity, if requested** YOU
Some lenders, banks especially, review returns as part of credit.
- ☐ **Sponsor and management company resume** YOU
Operating experience affects eligibility and pricing.
- ☐ **Signed authorizations for credit and background checks** YOU
Lenders must run checks on key principals.

Current loan

- ☐ **Most recent mortgage statement and servicer contact** YOU
It identifies who issues the payoff and the current balance.
- ☐ **Written payoff quote for your target closing date, including any prepayment premium** YOU
The new loan has to cover the actual payoff.
- ☐ **Prepayment notice sent by the deadline in your note** YOU
Many notes require advance written notice before a payoff.
- ☐ **Current escrow and reserve balances held by the servicer** YOU
Balances are often refunded after payoff and affect closing cash.
- ☐ **Details of any second mortgage, mezzanine loan or preferred equity** YOU
All existing debt must be paid off or approved by the new lender.

Third-party reports (lender-ordered)

- ☐ **Appraisal** LENDER ORDERS
It sets the value that leverage limits are applied to.
- ☐ **Property condition report or inspection** LENDER ORDERS
It sizes repair escrows and replacement reserves.
- ☐ **Phase I environmental site assessment or environmental screening** LENDER ORDERS
Environmental problems can make a property unfinanceable.
- ☐ **Zoning report or letter** LENDER ORDERS
It confirms the building can be rebuilt as-is after a loss.
- ☐ **Seismic report where required by location** LENDER ORDERS
Earthquake risk can require added insurance or limit loan size.
- ☐ **Site access, unit access list and a contact for inspectors** PROPERTY MANAGER
Reports stall when inspectors cannot get into units.

Closing

- ☐ **Title commitment and survey** LENDER ORDERS
The lender needs a first lien and a clear picture of the boundaries.
- ☐ **Insurance certificates naming the new lender** YOU
Coverage must meet the new lender's requirements on the day of funding.
- ☐ **Attorney review of the loan agreement, note and guaranty** ATTORNEY
You should understand carve-outs and covenants before signing.
- ☐ **Tenant estoppels or commercial leases, if the building has retail** PROPERTY MANAGER
Commercial income needs separate verification.
- ☐ **Closing statement and wire for any cash due at closing** YOU
Escrows, reserves and costs are funded at closing.
- ☐ **Post-closing calendar: reporting dates, escrow analysis, insurance renewals** YOU
Missed reporting or insurance lapses can trigger defaults.

