



FREDDIE MAC: FIXED-RATE LOAN

Fast and Flexible Funding for a Wide Array of Properties

With our fixed-rate loan, you get a flexible, streamlined financing solution and certainty of execution for the acquisition or refinance of multifamily housing properties. Borrowers have a variety of options to suit their individual needs.

THE NORTHMARQ DIFFERENCE WITH FREDDIE MAC

When it comes to multifamily finance, NorthMarq gets it done. We tackle complicated transactions, provide certainty of execution and fund quickly.

PRODUCT SNAPSHOT

- > Generally \$3 million to \$100 million; however, larger or smaller loan amounts are considered
- > Limited partnership, corporation, limited liability company, or tenancy in common
- > If greater than \$5 million, borrower must be a Single-Purpose Entity (SPE)
- > Under \$5 million, borrower may be a Single-Asset Entity
- > Mixed-use properties are eligible

ELIGIBLE BORROWERS	<ul style="list-style-type: none">> Borrower may be a limited partnership, corporation, limited liability company, or a tenancy in common (TIC) with 10 or fewer tenants in common> General partnerships, limited liability partnerships, REITs and certain trusts may also be acceptable in limited circumstances, subject to additional requirements> Borrower must usually be a Single Purpose Entity (SPE); however, on loans less than \$5 million, upon borrower's request, a borrower other than a TIC may be a Single Asset Entity instead of an SPE> If the borrower is structured as a TIC, each tenant in common must be an SPE
ELIGIBLE PROPERTIES	Standard multifamily housing, student housing, seniors housing, manufactured housing communities, cooperative housing and Targeted Affordable Housing Cash Loans. Loans may be used for acquisition or refinance
TERMS	5- to 15-year terms (up to 30 years if loan is not purchased for securitization)
AMOUNT	Generally \$3 million to \$100 million (larger and smaller loans will be considered)
MAXIMUM AMORTIZATION	30 years
AMORTIZATION CALCULATIONS	Actual/360 standard; 30/360 available

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LOCK-OUT PERIOD	2 years following securitization
PREPAYMENT PROVISIONS	Yield maintenance until securitized followed by 2-year lock out; defeasance thereafter. No prepayment premium for final 90 days. If loan is not securitized within first year, then yield maintenance applies until the final 90 days. Yield maintenance without defeasance is available for securitized loans at an additional cost
TAX AND INSURANCE ESCROW	Generally required
REPLACEMENT RESERVE DEPOSIT	Generally required
RECOURSE REQUIREMENTS	Non-recourse except for standard carve-out provisions
SUPPLEMENTAL LOAN AVAILABILITY	Yes, multiple loans subject to requirements specified in the Loan Agreement
APPLICATION FEE	Greater of \$2,000 or 0.1% of loan amount for conventional first mortgages; seniors housing loans are > \$5,000 or 0.15% of loan amount; supplemental loans are > \$5,000 or 0.1% of loan amount and Targeted Affordable Housing loans are > \$3,000 or 0.1% of loan amount
LOCK OPTIONS	Early rate-lock option available for varying durations, typically ranging from 30 to 90 days from spread lock to loan closing; Index Lock option is also available
REFINANCE TEST	No Refinance Test is necessary if the loan has an amortizing debt coverage ratio (DCR) of 1.40x or greater and a Loan-to-Value (LTV) ratio of 65% or less; all partial-term interest-only loans must pass the Refinance Test

LOAN-TO-VALUE (LTV) RATIOS AND AMORTIZING¹ DEBT COVERAGE RATIOS (DCR)

FIXED-RATE BASE CONVENTIONAL MAXIMUM LTV AND MINIMUM DCR ²	(For specific product adjustments, refer to individual term sheets)		
	AMORTIZING	PARTIAL-TERM INTEREST-ONLY ³	FULL-TERM INTEREST-ONLY
≥ 5-YEAR AND < 7-YEAR TERM	75% / 1.30x	75% / 1.30x	65% / 1.40x
7-YEAR TERM	80% / 1.25x	80% / 1.25x	70% / 1.35x
> 7-YEAR TERM	80% / 1.25x	80% / 1.25x	70% / 1.35x

¹ The DCR calculated for the partial-term interest-only and full-term interest-only period uses an amortizing payment.

² Adjustments may be made depending on the property, product and/or market.

³ For partial-term interest-only loans, there must be a minimum amortization period of 5 years for loans with terms greater than 5 years. Acquisition loans with 5-year terms may have up to 1 year of partial-term interest-only. For terms of 10 years or more, loans may have interest only in an amount equal to no more than half of the loan term.

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