Freddie Mac Affordable Moderate Rehabilitation Loan

GREYSTONE

Bond Credit Enhancement

OPTIGO
Freddie Mac Multifamily

	4% LIHTC	9% LIHTC
Description	Bond Credit Enhancements provide for the moderate rehabilitation with tenants in place of affordable multifamily properties with 4% LIHTC	Financing for the moderate rehabilitation with tenants in place of affordable multifamily properties with 9% LIHTC
Type of Funding	Bond Credit Enhancements provide for the moderate rehabilitation with tenants in place of affordable multifamily properties with 4% LIHTC for the acquisition or refinance of stabilized affordable multifamily properties	Financing for acquisition / rehabilitation (max 24 months); based on projected post-rehab NOI; cash or letter of credit collateral required to fund gap between supportable debt on current NOI and mortgage amount (collateral held until stabilization); Interest only during the rehabilitation / stabilization period
Eligible Properties	Garden, mid-rise or high-rise multifamily properties with 4% LIHTC undergoing moderate rehabilitation with tenants in place	Garden, mid-rise or high-rise multifamily properties with 9% LIHTC that are undergoing moderate rehabilitation with tenants in place
Loan Term	Minimum of the remaining LIHTC compliance period. Maximum term of 35 years. Rehabilitation / stabilization period (max 24 months) will be included in loan term.	Minimum of the remaining LIHTC compliance period. Maximum term of 35 years. Rehabilitation / stabilization period (max 24 months) will be included in loan term.
Amortization	Up to 35 years	Up to 35 years
Debt Service Coverage	▪ Variable-rate with cap hedge: 1.20x ▪ Fixed-rate and variable rate with minimum 10-year swap: 1.15x	▪ 1.15x
Loan-to-Value Maximum	▪ Variable-rate with cap hedge: 80% of adjusted value or 85% of market value ▪ Fixed-rate and variable rate with minimum 10-year swap: 85% of adjusted value or 90% of market value ▪ HUD Risk Sharing (fixed-rate only): 90% of adjusted value	90% of market value
Prepayment	Fee Maintenance	Yield Maintenance

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Borrower

The Borrower must be a domestic single asset borrowing entity and single purpose entity (SPE)

Interest Rate

Risk-based pricing, varying with LTV, DSC ratios and cash out components

Third Party Reports

MAI appraisal, Physical Needs Assessment, Environmental Phase I, Zoning, and Moisture Management reports are required; Seismic Report may be required for properties in Seismic Zones 3 and 4

Reserves

Tax and insurance escrows are required per the TAH Guide; Funded Repair and Replacement escrow is required based on engineer's Physical Needs Assessment; For Loans at less than 70% of value with no deferred maintenance, funding of repair and replacement reserve can be waived, with Freddie Mac approval

Application and Due Diligence Fees

$2,500 non-refundable Application Fee to cover internal underwriting costs; $12,500 Due Diligence Fee to cover third party reporting and the greater of $3,000 or 0.1% to Freddie Mac as a non-refundable Application Fee

Origination Fee

Minimum origination fees will vary depending on the loan characteristics

Timing

60 days from application to commitment, dependent on 3rd party report timing and Borrower's submission of due diligence

Assumability

Loan is assumable, subject to Freddie Mac and Servicer approval of the proposed replacement Borrower; Fees include one percent assumption fee, part of which is paid to Freddie Mac, and a processing fee to cover underwriting expenses to Freddie Mac and the Servicer