

# Freddie Mac Conventional Floating-Rate Loan

GREYSTONE



## Description

Eligible property types are conventional structured transactions including standard multifamily, student, seniors, and manufactured housing. Floating-rate loans are not available for cooperative housing.

## Loan Amount

Generally \$5 to \$100 million (larger and smaller loans will be considered)

## Loan Term

5, 7, and 10 year terms

## Max Amortization

30 years

## Max Loan to Value

80%

## Minimum Coverage

1.25x, on comparable fixed-rate mortgage constant

## Borrower

- Borrower may generally 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, REIT's and certain trusts may also be acceptable in limited circumstances, subject to additional requirements
- Borrower must generally 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 (SAE) instead of an SPE
- If the Borrower is structured as a Tenancy in Common (TIC), each Tenant in Common must be a SPE

## Recourse Requirements

Non-recourse except for standard carve-out provisions

## Interest-Only Period

Partial-term and full-term interest-only available

## Lock-out/Prepayment Provisions

Four lock-out/prepayment options available (see chart below) with no prepayment premium for final 90 days; other options are available for loans that are not intended to be securitized.

Prepayment Premium	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Option 1	Locked out	1%	1%	1%	1%	1%	1%	1%
Option 2	3%	2%	1%	1%	1%	1%	1%	1%
Option 3	5%	4%	3%	2%	1%	1%	1%	1%
Option 4 (only for 10-yr capped floating-rate loan)	7%	6%	5%	4%	3%	2%	1%	1%

## Third Party Reports

MAI Appraisal, Physical Needs Assessment, and Environmental Phase I Assessment are required, plus Seismic Report may be required for properties in Seismic Zones 3 and 4

## Tax, Insurance, & Replacement Reserves

Tax and insurance escrows are generally required. Funded Repair & Replacement escrow is generally required.

## Recourse Requirements

Non-recourse except for standard carve-out provisions

## Lender Application Fee

\$15,000; covers 3rd party reports and processing/underwriting costs

## Freddie Mac Application Fee

Greater of \$2,000 or 0.1% of loan amount

## Origination Fee

Competitive

## Legal Fees

\$8,000 to \$12,000 varying with characteristics of the deal

## Timing

45-60 days from the application to commitment; dependent on 3rd party report timing and Borrower's submission of due diligence

## Rate Lock

Early spread-lock option available for varying durations, typically ranging from 60 to 120 days until Freddie Mac purchase

## Assumability

Loan is assumable, subject to lender approval of proposed replacement Borrower. Fees include 1% assumption fee, part of which is paid to Freddie and a \$5,000 processing fee to cover Lender's underwriting expenses.

## Supplemental Loan Availability

Yes, subject to requirements specified in the Loan Agreement