

FREDDIE MAC OPTIGO®

Bond Credit Enhancement with Other Affordability Components

CREDIT ENHANCEMENTS FROM TAX-EXEMPT BONDS

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| ELIGIBLE PROPERTY TYPES | Garden, mid-rise and high-rise multifamily properties with minimum occupancies of 90% for 90 days. |
| TERMS | 10 to 30 years. |
| ELIGIBLE TRANSACTIONS | New credit enhancement facility or replacement of existing credit enhancement facility for tax-exempt bonds for refundings, substitutions and acquisitions. |
| MAXIMUM AMORTIZATION | 30 years. |
| MINIMUM DEBT COVERAGE RATIO ¹ (DCR) | <ul style="list-style-type: none"> Variable-rate with cap hedge: 1.25x. Fixed-rate: 1.25x. |
| MAXIMUM LOAN-TO-VALUE (LTV) RATIO ¹ | <ul style="list-style-type: none"> Variable rate with cap hedge: 80% of adjusted value or 85% of market value. Fixed-rate: 85% of adjusted value or 90% of market value. |
| PREPAYMENT PROVISIONS | Fee maintenance required. |
| SUBORDINATE DEBT | Permitted. |
| RECOURSE REQUIREMENTS | Non-recourse except for standard carve-out provisions. |
| APPRAISAL, ENVIRONMENTAL AND ENGINEERING REPORT | Required. |
| PROPERTY AND REAL ESTATE TAX ESCROW | Required. |
| FEES | Application fee, commitment fee, credit facility fee, outside counsel fees, plus other fees as applicable. |

¹Adjustments may be made depending on the property, product, and/or market.