

FREDDIE MAC OPTIGO®

Floating-Rate Loan

LOW RATES, CUSTOMIZED TERMS AND CERTAINTY OF EXECUTION

ELIGIBLE BORROWERS	<ul style="list-style-type: none"> 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, real estate investment trusts (REITs) and certain trusts may also be acceptable in limited circumstances, subject to additional requirements. Borrower must generally be a Single Purpose Entity (SPE) (see Section 6.13 of the Loan Agreement for basic SPE requirements); however, on loans less than \$7.5 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 PROPERTY TYPES	Standard multifamily housing, student housing, seniors housing, manufactured housing communities and Targeted Affordable Housing (e.g., cash LIHTC Year 4-10 and 11-15, Section 8 loans); conventional structured transactions. Floating-rate loans are not available for cooperative housing.
TERMS	5-, 7- and 10-year terms.
AMOUNT	Generally, \$7.5 million to \$100 million (@aller and larger loans will be considered).
PRICING INDEX	30-day Average SOFR.
EARLY RATE-LOCK OPTION	Early rate-lock option available for varying durations, typically ranging from 60 to 120 days from rate-lock until Freddie Mac purchase.
INTEREST-ONLY PERIOD	Partial-term and full-term interest-only available; see table below and related footnotes.
INTEREST RATE CAP	Expanded the number of cap options available. Borrower may obtain its own cap coverage from a third-party provider (see our Approved Counterparties List for a list of approved providers, which we have increased); see the Interest-Rate Cap Options for Floating-Rate Cash Loans with a 7-Year Term example.
MAXIMUM AMORTIZATION	30 years.
AMORTIZATION CALCULATIONS	Actual/360.
LOCK-OUT/PREPAYMENT PROVISIONS	Four lock-out/prepayment options available (see chart below) with no premium for final 90 days; other options are available for loans that are not intended to be securitized. For more information; contact your Lument representative.
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, subject to requirements specified in the Loan Agreement.
APPLICATION FEE	Greater of \$2,000 or 0.1% of loan amount for conventional first mortgages; supplemental and 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.
REFINANCE TEST	No Refinance Test is necessary if the loan has an amortizing debt coverage ratio (DCR) of 1.40x or greater and a LTV ratio of 60% or less.

For important disclosures about Lument and the information found in this term sheet [click here](#).

Lock-Out/Prepayment Provisions

You can choose from four prepayment provisions when structuring Freddie Mac standard, capped, or uncapped floating-rate loans. Each option offers no prepayment premium for the last 90 days of the loan term.

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%.

LTV Ratios and Amortizing¹ DCR

FLOATING-RATE BASE CONVENTIONAL MAXIMUM LTV AND MINIMUM DCR ¹	(For specific product adjustments, refer to individual term sheets.)		
	AMORTIZING	PARTIAL-TERM INTEREST-ONLY ²	FULL-TERM INTEREST-ONLY
≥ 5-YEAR AND < 7-YEAR TERM	75% / 1.25x.	75% / 1.25x.	65% / 1.35x.
≥ 7-YEAR TERM	80% / 1.25x.	80% / 1.25x.	70% / 1.35x.

¹The DCR calculated for the partial-term interest-only and full-term interest-only period uses an amortizing payment. Adjustments may be made depending on the property, product and/or market.

²For 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.