For important disclosures about Lument and the information found in this term sheet **click here.**

FREDDIE MAC OPTIGO®

Floating-Rate Loan

LOW RATES, CUSTOMIZED TERMS AND CERTAINTY OF EXECUTION

ELIGIBLE BORROWERS	• 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). • 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	Minimum $10 million.
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; Optigo lenders should consult with their regional Freddie Mac representative to determine eligibility.
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); 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. Borrowers should contact a Freddie Mac Multifamily Optigo lender for more information; Optigo lenders should contact their Freddie Mac 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.

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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 Amortizing[1] DCR

FLOATING-RATE MAXIMUM LTV AND MINIMUM DCR[2]	PAYMENT TYPE (FOR SPECIFIC PRODUCT ADJUSTMENTS, REFER TO INDIVIDUAL TERM SHEETS)			
	Amortizing and Partial Interest Only[3]		Full-Term Interest-Only	
	Minimum Amortizing DCR	Maximum LTV[4]	Minimum Amortizing DCR	Maximum LTV
≥ 5-YEAR AND < 7-YEAR TERM	1.25x.	75%	1.25x.	65%
7-YEAR TERM	1.25x.	80%	1.25x.	65%
>7-YEAR TERM	1.25x.	80%	1.25x.	70%

[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 2 years. All mortgages with <2 years of Amortization must meet the requirement for full-term Interest Only Mortgages.

[4]Maximum combined maturity LTV for Partial Interest Only loans is 70%, and subject to adjustment for certain property and loan types.