

## FREDDIE MAC OPTIGO®

# Manufactured Housing Resident Owned Community Loan (MHROC)

### CUSTOMIZED LOANS FOR MANUFACTURED HOUSING COMMUNITIES OWNED BY RESIDENTS

ELIGIBLE PROPERTY TYPES	Existing, stabilized, high-quality, professionally managed MHROCs, with or without age restrictions.
ELIGIBLE TRANSACTION TYPES	<ul style="list-style-type: none"> <li>Acquisition/Conversion: An Acquisition Mortgage on a Manufactured Housing Community which is in the process of converting from a rental property to an MHROC. The MHROC Borrower must be formed prior to rate lock.</li> <li>Seasoned Refinance: A Refinance Mortgage on an existing MHROC with most shares already sold to resident shareholders.</li> </ul>
ELIGIBLE BORROWERS	Not-for-profit cooperative corporation or association (Co-op) in which shares in the Co-op are sold to shareholders and such shares entitle the shareholder to occupy a specific pad.
REQUIREMENTS FOR RESIDENT SHAREHOLDERS	<p>At rate-lock:</p> <ul style="list-style-type: none"> <li>100% of pads must be owned by the MHROC Borrower.</li> <li>At least 90% of shares must be owned by resident-shareholders.</li> </ul> <p>Seasoned Refinances offer flexibility on this point with alternate sizing.</p>
DEBT SERVICE RESERVE	May be required.
ELIGIBLE OPTIGO SELLER/SERVICERS	Freddie Mac Multifamily Optigo Seller/Serviceers may originate or service a MHROC loan. Preferred Seller/Serviceers have staff that is experienced and knowledgeable in the structure, origination and delivery of MHROC loans.
TERMS	5- to 30-year terms.
MINIMUM UPB AMOUNT	\$500,000.
MAXIMUM AMORTIZATION	30 years.
INTEREST RATE	Fixed-rate only, floating-rate not permitted; please refer to the Fixed-Rate Loan term sheet for additional information.
INTEREST ONLY	Amortizing only - Interest only not permitted.
PREPAYMENT PROVISIONS	Refer to the Fixed-Rate Loan term sheet for additional information.
RECOURSE REQUIREMENTS	Non-recourse, guarantor not required.
SUPPLEMENTAL FINANCING	Available, subject to the Supplemental Loan offering requirements.
HOME RENTALS	The percentage of homes owned by the borrower, borrower-affiliate, or third-party investor cannot exceed 5% in aggregate.
TAX AND INSURANCE ESCROW	Required.
REPLACEMENT RESERVE ESCROW	Minimum \$50/site/year and \$250/borrower-owned manufactured home/year (if included in the collateral).

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

<b>APPLICATION FEE</b>	Greater of \$2,000 or 0.1% of loan amount.
<b>EARLY RATE AND SPREAD LOCK OPTIONS</b>	Standard Delivery.
<b>REFINANCE TEST</b>	Refinance Test is necessary on all MHROC loans.
<b>ADDITIONAL CONSIDERATIONS</b>	<ul style="list-style-type: none"> <li>Private facilities (e.g., wells and septic systems) are allowed with considerations.</li> <li>Rental leases cannot contain options to purchase pad sites or borrower-owned manufactured homes.</li> <li>Retail sales or financing by borrowing entity of any manufactured homes or shares in the MHROC Borrower is not allowed.</li> <li>RV campgrounds and broken condominiums are excluded.</li> <li>Wrap financing, seller financing, mezzanine financing, and preferred equity are not permitted.</li> </ul> <p>Freddie Mac will not purchase end loans or loans to individual shareholders.</p>

### Fixed-Rate LTV Ratios and Amortizing DCRs<sup>1</sup>

FIXED-RATE BASE CONVENTIONAL MAXIMUM LTV AND MINIMUM DCR (ALL AMORTIZING)	ACQUISITIONS/CONVERSIONS	SEASONED REFINANCES
<b>AS MARKET RATE RENTAL<sup>2</sup></b>	70% / 1.40x.	70% / 1.40x.
<b>AS COOPERATIVE<sup>3</sup></b>	NA / 1.15x.	NA / 1.10x.

<sup>1</sup>Adjustments to DCRs and LTVs may be required depending on the property, product and/or market.

<sup>2</sup>As market rate rental' – income and expenses underwritten as a conventional rental property operation.

<sup>3</sup>As cooperative' – income and expenses underwritten as a resident-owned cooperative (as-is).