

## FREDDIE MAC OPTIGO®

# Preservation Rehabilitation Financing

Looking to renovate an affordable multifamily property? We provide financing for the moderate rehabilitation of affordable properties with new Low-Income Housing Tax Credits (LIHTCs).

### FUNDS TO RENOVATE AFFORDABLE HOUSING PROPERTIES

	<b>Tax-Exempt Financing with 4% LIHTC</b>	<b>9% LIHTC Cash Loan</b>	<b>Non-LIHTC Cash Loan</b>
<b>ELIGIBLE PROPERTIES TYPES</b>	Garden, mid-rise, or high-rise multifamily properties with new 4% Low-Income Housing Tax Credit (LIHTC) undergoing moderate rehabilitation with tenants in place.	Garden, mid-rise, or high-rise multifamily properties with new 9% LIHTC that are undergoing moderate rehabilitation with tenants in place.	Garden, midrise, or high-rise multifamily properties undergoing moderate rehabilitation with tenants in place.
<b>TERMS</b>	Minimum term: Remaining LIHTC compliance period or 15 years, whichever is less; 15 years with HUD Risk Sharing. Maximum term: 35 years. Rehabilitation/stabilization period (maximum of 24 months) will be included in loan term.	Minimum term: Lesser of 15 years or the remaining LIHTC compliance period; 15 years with HUD Risk Sharing. Maximum term: 35 years. Rehabilitation/stabilization period (maximum of 24 months) will be included in loan term.	Minimum term: 5 years Maximum term: 15 years. Rehabilitation/stabilization period (maximum of 24 months) will be included in loan term.
<b>PRODUCT DESCRIPTION</b>	Tax-exempt financing for the moderate rehabilitation of affordable multifamily properties with a new 4% LIHTC and tenants in place.	Financing for the moderate rehabilitation of affordable multifamily properties with a new 9% LIHTC and tenants in place.	Financing for the moderate rehabilitation of Non-LIHTC affordable multifamily properties that have tenants in place.
<b>TYPE OF FUNDING</b>	Tax-exempt financing for acquisition/rehabilitation based on projected post-rehabilitation net operating income (NOI); cash or letter of credit collateral required to fund gap between supportable debt on current NOI and bond mortgage loan amount (collateral held until stabilization); interest-only during the rehabilitation/stabilization period.	Financing for acquisition/rehabilitation based on projected post-rehabilitation NOI; cash or letter of credit collateral required to fund gap between supportable debt on current NOI and loan amount (collateral held until stabilization); interest-only during the rehabilitation/stabilization period.	Financing for acquisition/rehabilitation based on projected post-rehabilitation NOI; cash or letter of credit collateral required to fund gap between supportable debt on current NOI and loan amount (collateral held until stabilization); interest-only during the rehabilitation/stabilization period.
<b>MINIMUM DEBT COVERAGE RATIO (DCR)<sup>1</sup></b>	<ul style="list-style-type: none"> <li>Variable rate with cap hedge: 1.20x.</li> <li>Fixed rate: 1.15x.</li> </ul>	<ul style="list-style-type: none"> <li>New tax credits: 1.15x.</li> </ul>	<ul style="list-style-type: none"> <li>Fixed rate: 1.25x.</li> </ul>
<b>MAXIMUM LOAN-TO-VALUE (LTV) RATIO<sup>1</sup></b>	<ul style="list-style-type: none"> <li>Variable rate with cap hedge: 80% of adjusted value or 85% of market value.</li> <li>Fixed rate: 85% of adjusted value or 90% of market value.</li> </ul>	<ul style="list-style-type: none"> <li>90% of market value.</li> </ul>	<ul style="list-style-type: none"> <li>80% of Market Value.</li> </ul>
<b>MAXIMUM AMORTIZATION</b>	35 years.	35 years.	30 years
<b>PREPAYMENT PROVISIONS</b>	Fee maintenance.	Yield maintenance.	Yield Maintenance

In its prequalifying review, Lument will attempt to estimate both the loan amount and the fees and costs associated with the transaction. Actual loan amounts and actual fees and expenses may vary from the prequalifying estimates. A prequalifying estimate is not a commitment to make a loan.

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