

# FREDDIE MAC OPTIGO®

## Seniors Housing Loan

### AFFORDABLE SOLUTIONS FOR SENIORS HOUSING

<b>ELIGIBLE BORROWERS</b>	<ul style="list-style-type: none"> <li>Experienced owner/operator of comparable facilities.</li> <li>If the loan is less than \$5 million, the borrower may be a Single Asset Entity with some additional restrictions and may be a limited partnership, general partnership (no individuals may be general partners), limited liability company, corporation, or real estate investment trust (must be a corporation, not a trust).</li> <li>If the loan is \$5 million or more, the borrower may be a limited partnership, a corporation, or a limited liability company and must be a Single Purpose Entity (SPE); see Section 6.13 of the Loan Agreement for basic SPE requirements.</li> <li>If the borrower is structured as a tenancy in common (TIC), each tenant in common must be an SPE (Note: TICs are not encouraged).</li> </ul>
<b>ELIGIBLE PROPERTY TYPES</b>	<ul style="list-style-type: none"> <li>Independent living properties.</li> <li>Assisted living properties.</li> <li>Memory care properties.</li> <li>Properties with a limited amount of skilled nursing (maximum 20% of net operating income (NOI)).</li> <li>Any combination of the above.</li> </ul>
<b>TERMS</b>	<ul style="list-style-type: none"> <li>5-10 years (up to 30 years for fixed-rate loans).</li> </ul>
<b>ELIGIBLE LOANS</b>	<ul style="list-style-type: none"> <li>Fixed-rate loans.</li> <li>Standard and capped floating-rate loans.</li> <li>Supplemental loans (subject to requirements in the Loan Agreement) and other options.</li> <li>Other Freddie Mac loan programs may be available on a waiver basis.</li> </ul>
<b>FINANCING OPTIONS</b>	<ul style="list-style-type: none"> <li>Acquisition or refinance loans.</li> <li>Bond credit enhancements.</li> <li>Our Targeted Affordable Housing products.</li> </ul>
<b>REPLACEMENT RESERVE ESCROW</b>	Generally required.
<b>TAX AND INSURANCE ESCROW</b>	Generally required.
<b>EARLY RATE-LOCK OPTIONS (FOR FIXED-RATE LOANS)</b>	Available for extended periods, including our standard early rate-lock and Index Lock options; Optigo lenders should consult with their regional Lument representative to determine eligibility.
<b>SPREAD HOLD</b>	Quoted loan spreads are held for 75 days from signed loan application, allowing sufficient time to close loans at quoted spreads and, if applicable, at Index Lock rates.
<b>APPLICATION FEE</b>	Greater of \$5,000 or 0.15% of loan amount.
<b>REFINANCE TEST</b>	<p>No Refinance Test is necessary if the loan has a loan-to-value (LTV) ratio of 55% or less and an amortizing debt coverage ratio (DCR) of:</p> <ul style="list-style-type: none"> <li>For independent living: <math>\geq 1.45x</math>.</li> <li>For assisted living: <math>\geq 1.55x</math>.</li> <li>For assisted living with skilled nursing beds: <math>\geq 1.60x</math>.</li> <li>For stand-alone memory care: <math>\geq 1.75x</math>.</li> </ul> <p>All partial-term interest-only loans must pass the Refinance Test.</p>

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

## LTV Ratios and Amortizing DCR

SENIORS HOUSING – INDEPENDENT LIVING BASE CONVENTIONAL MAXIMUM LTV / MINIMUM DCR	FIXED-RATE AND FLOATING-RATE <sup>1</sup> LTV/DCR <sup>2</sup>		
	Amortizing	Partial-Term Interest-Only <sup>3</sup>	Full-Term Interest-Only
≥ 5-YEAR AND < 7-YEAR TERM	70% / 1.30x.	70% / 1.30x.	60% / 1.40x.
≥ 7-YEAR TERM	75% / 1.30x.	75% / 1.30x.	65% / 1.40x.
SENIORS HOUSING – ASSISTED LIVING (>50% ASSISTED LIVING UNITS) BASE CONVENTIONAL MAXIMUM LTV / MINIMUM DCR	FIXED-RATE AND FLOATING-RATE <sup>1</sup> LTV/DCR <sup>2</sup>		
	Amortizing	Partial-Term Interest-Only <sup>3</sup>	Full-Term Interest-Only
≥ 5-YEAR AND < 7-YEAR TERM	70% / 1.40x.	70% / 1.40x.	60% / 1.50x.
≥ 7-YEAR TERM	75% / 1.40x.	75% / 1.40x.	65% / 1.50x.
SENIORS HOUSING – SKILLED NURSING <sup>4</sup> BASE CONVENTIONAL MAXIMUM LTV / MINIMUM DCR	FIXED-RATE AND FLOATING-RATE <sup>1</sup> LTV/DCR <sup>2</sup>		
	Amortizing	Partial-Term Interest-Only <sup>3</sup>	Full-Term Interest-Only
≥ 5-YEAR AND < 7-YEAR TERM	70% / 1.45x.	70% / 1.45x.	60% / 1.55x.
≥ 7-YEAR TERM	75% / 1.45x.	75% / 1.45x.	65% / 1.55x.
SENIORS HOUSING – STAND-ALONE MEMORY CARE (100% MEMORY CARE UNITS) BASE CONVENTIONAL MAXIMUM LTV / MINIMUM DCR	FIXED-RATE AND FLOATING-RATE <sup>1</sup> LTV/DCR <sup>2</sup>		
	Amortizing	Partial-Term Interest-Only <sup>3</sup>	Full-Term Interest-Only
≥ 5-YEAR AND < 7-YEAR TERM	60% / 1.60x.	60% / 1.60x.	55% / 1.70x.
≥ 7-YEAR TERM	65% / 1.60x.	65% / 1.60x.	55% / 1.70x.

<sup>1</sup>Floating-rate proceeds are calculated based on the sizing note rate.

<sup>2</sup>The DCR calculated for the partial-term interest-only and full-term interest-only period uses an amortizing payment.

<sup>3</sup>For 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.

<sup>4</sup>Skilled nursing cannot exceed a maximum of 20% of the overall property NOI.