

FREDDIE MAC OPTIGO®

Student Housing Loan

CUSTOM FINANCING FOR A SPECIFIC PURPOSE

ELIGIBLE BORROWERS	<ul style="list-style-type: none"> Borrower may 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); however, on loans less than \$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 a SPE.
ELIGIBLE PROPERTY TYPES	<ul style="list-style-type: none"> Purpose-built student housing properties, each apartment must have a separate full kitchen and bathroom. Stabilized garden, mid-rise and high-rise apartment properties that are greater than 50% occupied by student tenants. Focused on colleges/ universities with increasing enrollment trends. Property is located less than 2 miles from college/university or on a public transportation route.
TERMS	5, 7 and 10 years.
AMOUNT	Minimum \$5 million.
MAXIMUM AMORTIZATION	30 years.
FINANCING OPTIONS	Acquisition or refinance.
GROUND LEASE	Ground lease for land owned by a college or university may be permitted with prior approval.
LEASE PARAMETERS	<ul style="list-style-type: none"> Individual tenant lease by the apartment, bedroom, or by the bed. Rent under a master lease may be permitted with prior approval.
LEASE TERMS	12-month lease is preferred, although shorter leases may be permitted with prior approval.
LEASE GUARANTY	Parental guaranty is preferred.
RECOURSE REQUIREMENTS	Non-recourse except for standard carve-out provisions.
SUPPLEMENTAL LOANS	Available subject to requirements in the Loan Agreement and current Freddie Mac program and product requirements at the time of the supplemental loan request.
EXCLUSIONS	Residence halls or dormitories with a shared common bathroom and centralized food service areas or dining halls.
TAX AND INSURANCE ESCROW	Generally required.
REPLACEMENT RESERVE DEPOSIT	Generally a minimum of \$150 per bedroom or \$300 per unit.
APPLICATION FEE	Greater of \$2,000 or 0.1% of loan amount.
EARLY RATE-LOCK OPTIONS (FOR FIXED-RATE LOANS)	Early rate-lock and Index Lock options available; Optigo lenders should consult with their regional Freddie Mac representative to determine eligibility.
OTHER OPTIONS AND REQUIREMENTS	Please refer to the Fixed-Rate Loan or Floating-Rate Loan term sheets for additional information.
REFINANCE TEST	No Refinance Test is necessary if the loan has an amortizing debt coverage ratio (DCR) of 1.40x or greater and a loan-to-value (LTV) ratio of 60% or less.

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

Loan-to-Value (LTV) Ratios and Amortizing¹ Debt Coverage Ratios (DCR)²

STUDENT HOUSING BASE CONVENTIONAL MAXIMUM LTV AND MINIMUM DCR	FIXED-RATE/FLOATING-RATE ³ LTV/DCR		
	AMORTIZING	PARTIAL-TERM INTEREST-ONLY ⁴	FULL-TERM INTEREST-ONLY
ACQUISITIONS AND REFINANCES			
≥ 5-YEAR AND < 7-YEAR TERM	75% / 1.30x.	75% / 1.30x.	65% / 1.40x.
≥ 7-YEAR TERM	80% / 1.30x.	80% / 1.30x.	70% / 1.40x.

¹The DCR calculated for the partial-term interest-only and full-term interest-only periods uses an amortizing payment.

²Adjustments may be made depending on the property, product and/or market. For properties with less than two years of leasing operations, subtract 5% from the LTV and add 0.05 to the DCR.

³Floating-rate proceeds are calculated based on the comparable fixed note rate.

⁴For 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.