

Conventional Floating Rate

ELIGIBLE BORROWERS	<ul style="list-style-type: none"> Borrower may generally be a limited partnership, corporation, limited liability company, or a tenancy in common (TIC). General partnerships, limited liability partnerships, 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); 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 an SPE.
ELIGIBLE PROPERTIES 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	Generally, \$5 million to \$100 million (smaller and larger loans will be considered).
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.
INTEREST-ONLY PERIOD	Partial-term and full-term interest-only available.
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, which we have increased); see the Interest-Rate Cap Options for Floating-Rate Cash Loans with a 7-Year Term example. No cap necessary for loans with a Loan-to-Value (LTV) ratio of less than 60%.
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 Seller/Servicer for more information; Optigo Sellers 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

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*	7%	6%	5%	4%	3%	2%	1%	1%

*Only for 10-year capped floating-rate loan.

LOAN-TO-VALUE RATIOS AND AMORTIZING DEBT COVERAGE RATIOS

Floating-Rate Base Conventional Maximum LTV & Min. DCR	Amortizing	Partial-Term Interest Only	Full-Term Interest Only
≥5-Year & < 7-Year Term	75% / 1.30x	75% / 1.30x	65% / 1.40x
7-Year Term	80% / 1.25x	80% / 1.25x	70% / 1.35x
> 7-Year Term	80% / 1.25x	80% / 1.25x	70% / 1.35x

