

	Refinance Lease-Up	Acquisition Lease-Up
PRODUCT DESCRIPTION	Refinancing newly constructed properties.	Acquiring newly constructed properties.
MAXIMUM LTV (AS STABILIZED)	75% (Conventional and Targeted Affordable). 70% (Seniors Housing with Independent Living and/or Assisted Living).	70% (Conventional and Targeted Affordable). 70% (Seniors Housing with Independent Living and/or Assisted Living).
MINIMUM DCR	<ul style="list-style-type: none"> 1.30x (Conventional and Targeted Affordable). 1.35x (Seniors Housing with Independent Living). 1.45x (Seniors Housing with Assisted Living). 	<ul style="list-style-type: none"> 1.30x (Conventional and Targeted Affordable). 1.35x (Seniors Housing with Independent Living). 1.45x (Seniors Housing with Assisted Living).
MINIMUM CASH EQUITY REQUIREMENT	<ul style="list-style-type: none"> 15% (Conventional and Targeted Affordable). 20% (Seniors Housing with Independent Living and/or Assisted Living). 	<ul style="list-style-type: none"> 25% (Conventional and Targeted Affordable). 25% (Seniors Housing with Independent Living and/or Assisted Living).
CLOSING	<ul style="list-style-type: none"> 1.05x DCR. 65% occupied. 75% leased. 100% of Certificates of Occupancy issued (Conventional and Targeted Affordable). 90% of Certificates of Occupancy issued (Seniors Housing with Independent Living and/or Assisted Living). Assisted Living properties must have all required licenses authorizing operations. 	<ul style="list-style-type: none"> 1.00x DCR. 65% occupied. 75% leased. 100% of Certificates of Occupancy issued (Conventional and Targeted Affordable). 90% of Certificates of Occupancy issued (Seniors Housing with Independent Living and/or Assisted Living). Assisted Living properties must have all required licenses authorizing operations.
ELIGIBLE BORROWERS	Borrowers must have experience with new construction and/or lease-up properties, and generally have strong financial capacity and real estate management expertise with good performance and credit history.	
LOAN TYPES	<ul style="list-style-type: none"> Fixed- and floating-rate loans. Interest-only (I/O) available during the lease-up period. 	
ELIGIBLE PROPERTY TYPES	<ul style="list-style-type: none"> Well-constructed properties exhibiting strong lease-up trends in good locations and strong markets. Student housing and manufactured housing community transactions are not eligible. Stabilization expected within 12 months of closing. 	
CLOSING DEBT SERVICE ESCROW	An additional 3-month debt service escrow may be required based on the property's actual operations at underwriting.	
RATE LOCK	50% occupied. 60% leased. 60% or more Certificates of Occupancy issued.	
LEASE-UP CREDIT ENHANCEMENT	<ul style="list-style-type: none"> A Lease-Up Credit Enhancement is required for all Lease-Up transactions The form of the Lease-Up Credit Enhancement will be determined by Freddie Mac. The Lease-Up Credit Enhancement must be at least 5% of the unpaid principal balance (10% if the Lease-Up Credit Enhancement is a guaranty, subject to additional conditions). Release of Lease-Up Credit Enhancement will occur once the property has achieved the required amortizing DCR based on average performance of the past 3 months, net rental income for the past 1 month meets or exceeds the level necessary to reach the required amortizing DCR and has met other standard conditions as set forth by Freddie Mac. If the required DCR is not reached within 12 months, the Lease-Up Credit Enhancement will be used to resize the loan and recast the payments. 	

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