

	REFINANCE LEASE-UP	ACQUISITION LEASE-UP
<b>PRODUCT DESCRIPTION</b>	Refinancing newly constructed properties.	Acquiring newly constructed properties.
<b>MAXIMUM LTV (AS STABILIZED)</b>	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).
<b>MINIMUM DCR</b>	<ul style="list-style-type: none"> <li>1.30x (Conventional and Targeted Affordable).</li> <li>1.35x (Seniors Housing with Independent Living).</li> <li>1.45x (Seniors Housing with Assisted Living).</li> </ul>	<ul style="list-style-type: none"> <li>1.30x (Conventional and Targeted Affordable).</li> <li>1.35x (Seniors Housing with Independent Living).</li> <li>1.45x (Seniors Housing with Assisted Living).</li> </ul>
<b>MINIMUM CASH EQUITY REQUIREMENT</b>	<ul style="list-style-type: none"> <li>15% (Conventional and Targeted Affordable).</li> <li>20% (Seniors Housing with Independent Living and/or Assisted Living).</li> </ul>	<ul style="list-style-type: none"> <li>25% (Conventional and Targeted Affordable).</li> <li>25% (Seniors Housing with Independent Living and/or Assisted Living).</li> </ul>
<b>CLOSING</b>	<ul style="list-style-type: none"> <li>1.05x DCR.</li> <li>65% occupied.</li> <li>75% leased.</li> <li>100% of Certificates of Occupancy issued (Conventional and Targeted Affordable).</li> <li>90% of Certificates of Occupancy issued (Seniors Housing with Independent Living and/or Assisted Living).</li> <li>Assisted Living properties must have all required licenses authorizing operations.</li> </ul>	<ul style="list-style-type: none"> <li>1.00x DCR.</li> <li>65% occupied.</li> <li>75% leased.</li> <li>100% of Certificates of Occupancy issued (Conventional and Targeted Affordable).</li> <li>90% of Certificates of Occupancy issued (Seniors Housing with Independent Living and/or Assisted Living).</li> <li>Assisted Living properties must have all required licenses authorizing operations.</li> </ul>
<b>ELIGIBLE BORROWERS</b>	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.	
<b>LOAN TYPES</b>	<ul style="list-style-type: none"> <li>Fixed- and floating-rate loans.</li> <li>Interest-only (I/O) available during the lease-up period.</li> </ul>	
<b>ELIGIBLE PROPERTY TYPES</b>	<ul style="list-style-type: none"> <li>Well-constructed properties exhibiting strong lease-up trends in good locations and strong markets.</li> <li>Student housing and manufactured housing community transactions are not eligible.</li> <li>Stabilization expected within 12 months of closing.</li> </ul>	
<b>CLOSING DEBT SERVICE ESCROW</b>	An additional 3-month debt service escrow may be required based on the property's actual operations at underwriting.	
<b>RATE LOCK</b>	50% occupied. 60% leased. 60% or more Certificates of Occupancy issued.	
<b>LEASE-UP CREDIT ENHANCEMENT</b>	<ul style="list-style-type: none"> <li>A Lease-Up Credit Enhancement is required for all Lease-Up transactions</li> <li>The form of the Lease-Up Credit Enhancement will be determined by Freddie Mac.</li> <li>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).</li> <li>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.</li> <li>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.</li> </ul>	

