



# Freddie Mac 9% LIHTC Mortgage

## Financing for affordable multifamily properties that have received a 9% LIHTC allocation

## Targeted Affordable Housing Offerings

- Bond Credit Enhancement – 4% LIHTC
- Bond Credit Enhancement With Other Affordability Components
- **9% LIHTC Mortgage**
- Cash Mortgages With Other Affordability Components
- Moderate Rehabilitation
- Tax-Exempt Bond Securitization (TEBS)
- Fixed and Variable Liquidity Pricing

## At-a-Glance Comparison

Product Summary	Forward Commitment	Immediate Funding	Moderate Rehabilitation
Product Description	Forward commitment for new construction or substantial rehabilitation of affordable multifamily properties with 9% LIHTC	Financing for the acquisition or refinance of stabilized affordable multifamily properties with 9% LIHTC	Financing for the moderate rehabilitation (with tenants in place) of affordable multifamily properties with 9% LIHTC
Type of Funding	Funded construction financing available; permanent financing at conversion	Permanent financing	Financing for acquisition/rehabilitation; based on projected post-rehab NOI; cash or letter of credit collateral required to fund gap between supportable debt on current NOI and mortgage amount (collateral held until stabilization). Interest only during the moderate rehabilitation period.
Eligible Properties	To-be-built or substantially rehabilitated garden, mid-rise or high-rise multifamily properties that received a 9% tax credit allocation	Garden, mid-rise or high-rise multifamily properties with 9% LIHTC with 85% occupancy for 90 days	Garden, mid-rise or high-rise multifamily properties with 9% LIHTC undergoing moderate rehabilitation with tenants in place
Minimum Debt Coverage Ratio	1.15x (1.10x w/ HUD Risk Sharing) <u>Cash-out Refinance:</u> 1.20x (1.15x w/ HUD Risk Sharing)	1.15x (1.10x w/ HUD Risk Sharing) <u>Cash-out Refinance:</u> 1.20x (1.15x w/ HUD Risk Sharing)	1.15x (1.10x w/ HUD Risk Sharing) <u>Cash-out Refinance:</u> 1.20x (1.15x w/ HUD Risk Sharing)
Maximum Loan-to-Value	90% of market value	90% of market value	90% of market value
Loan Term	Minimum term: lesser of 15 years or the remaining LIHTC compliance period. Maximum term: 35 years.	Minimum term: lesser of 15 years or the remaining LIHTC compliance period. Maximum term: 35 years.	Minimum term: lesser of 15 years or the remaining LIHTC compliance period. Maximum term: 35 years. Rehabilitation and stabilization period (max 24 months) will be included in loan term.
Construction Loan Term	Maximum forward commitment term: 36 months plus a free 6-month extension during construction period	NA	NA
Maximum Amortization	35 years	35 years	35 years
Prepayment Provisions	Yield Maintenance	Yield Maintenance	Yield Maintenance
Subordinate Financing	Permitted per the <i>TAH Guide</i>	Permitted per the <i>TAH Guide</i>	Permitted per the <i>TAH Guide</i>

Tax and Insurance Escrows	Required per the <i>TAH Guide</i>	Required per the <i>TAH Guide</i>	Required per the <i>TAH Guide</i>
Fees	Refer to Exhibit 11: TAH Fee Schedule, in the <i>TAH Guide</i>	Refer to Exhibit 11: TAH Fee Schedule, in the <i>TAH Guide</i>	Refer to Exhibit 11: TAH Fee Schedule, in the <i>TAH Guide</i>
Securitization Available	No	Yes, please refer to the Capital Markets Execution <sup>SM</sup> Term Sheet for securitization requirements	Yes, please refer to the Capital Markets Execution <sup>SM</sup> Term Sheet for securitization requirements

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Pub. Num. 783  
October 2011

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Pub. Num. 773  
April 2009