



Freddie Mac Bond Credit Enhancement With Other Affordability Components*

A credit enhancement program for fixed- or variable-rate multifamily housing bonds without 4% tax credits

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

Product Summary	Bond Credit Enhancement
Eligible Transactions	New credit enhancement facility or replacement of existing credit enhancement facility for tax-exempt bonds for refundings, substitutions, acquisition and acquisition/ rehabilitation.
Eligible Properties	Garden, mid-rise and high-rise multifamily properties with minimum occupancies of 90% for 90 consecutive days
Loan Terms	10 to 30 years
Maximum Amortization	30 years
Minimum Debt Coverage Ratio	<ul style="list-style-type: none"> • Variable-rate with cap hedge: 1.25x; 1.30x for cash-out refinance • Fixed-rate and variable rate with minimum 10-year swap: 1.25x; 1.30x for cash-out refinance • HUD Risk Sharing (fixed-rate only): 1.15x; 1.20x for cash-out refinance
Maximum Loan-to-Value	<ul style="list-style-type: none"> • Variable-rate with cap hedge: 80% of adjusted value or 85% of market value • Fixed-rate and variable rate with minimum 10-year swap: 85% of adjusted value or 90% of market value • HUD Risk Sharing (fixed-rate only): 90% of adjusted value
Prepayment Provisions	Fee maintenance required
Subordinate Debt	Permitted per the <i>TAH Guide</i> requirements
Recourse Requirements	Non-recourse except for standard carve-out provisions
Appraisal, Environmental, and Engineering Report	Required per the <i>TAH Guide</i>
Property and Real Estate Tax Escrow	Required per the <i>TAH Guide</i>
Fees	Refer to Exhibit 11: TAH Fee Schedule, in the <i>TAH Guide</i>

* May include bond refunding, substitution, or new issue transactions with 80-20 bonds, combination bonds, 501(c)(3) bonds, Section 8, Section 236 and tax abatements.

For more information, visit FreddieMac.com/Multifamily

The information in this document is not a replacement or substitute for information found in the *Delegated Underwriting for Targeted Affordable HousingSM Guide on AllRegs[®]*.

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