



Freddie Mac Capital Markets ExecutionSM

Offers a fixed-rate product at our lowest price that is ultimately securitized

Key Benefits

- Offers additional financing solutions traditionally met by a portfolio execution.
- In most cases, CME provides a more streamlined, yet still flexible, path to funding and offers more competitive pricing than a typical portfolio execution.
- With increased flexibility options, you can choose from a variety of options to suit your loan characteristics, and only pay for what you need.

At-a-Glance

Product Summary	
Financing Type Eligible for Securitization	Multifamily fixed-rate mortgages, purpose-built student housing, seniors housing, conventional structured finance pools, cooperative housing, Section 8 HAP, and Targeted Affordable Housing cash mortgages
Borrowing Entity	<ul style="list-style-type: none"> • If the loan is less than \$5 million, the borrower may be a SAE with some additional restrictions: Limited partnerships, General partnerships (no individuals may be general partners), Limited liability companies, Corporations, Real Estate Investment Trusts (must be a corporation, not a trust). • If the loan is \$5 million or more, the borrower must be a Single Purpose Entity (SPE): See Section 33 of the Security Instrument for basic Single Purpose Entity requirements. • If the borrower is structured as a Tenancy In Common (TIC), each Tenant in Common must be a SPE
Loan Size	\$5 to \$100 million (Loans as low as \$3.5 million will be considered in certain strong markets)
Loan Terms	5-30 years
Maximum Amortization	30 years
Amortization Calculations	Actual/360 standard; 30/360 available
Lockout Period	2 years
Prepayment Provisions	Yield maintenance until securitized followed by 2-year lockout; defeasance thereafter. No penalty for final 90 days. If loan is not securitized within first year, then yield maintenance applies for the life of the loan. Yield maintenance is available for securitized loans for an additional cost
Tax & Insurance Escrow	Required
Replacement Reserve Deposit	Required
Recourse Requirements	Non-recourse except for carve outs
Supplemental Loan Availability	Yes, subject to requirements specified in the CME Security Instrument
Premium Availability	Buyups permitted for up to 1% of loan amount
Application Fee	Greater of \$2,000 or 0.1% of loan amount

Loan-to-Value Ratio and Amortizing¹ Debt Coverage Ratio

BASE CONVENTIONAL LTV AND DCR	Fixed-Rate Mortgage (for all other mortgages, refer to individual term sheet)		
	Amortizing	Partial Interest-Only	Interest-Only (using amortizing payment)
Acquisition and No Cash-Out Refinance			
≥ 7 Year Term	80% / 1.25x	80% / 1.25x	65% / 1.30x
< 7 Year Term	70% / 1.30x	Same as IO	60% / 1.35x
Supplemental Loan² or Cash-Out Refinance			
≥ 7 Year Term	75% / 1.30x	75% / 1.30x	65% / 1.35x
< 7 Year Term	65% / 1.35x	Same as IO	60% / 1.40x

¹ The debt coverage ratio (DCR) calculated for the Partial Interest-Only and Interest-Only period uses an amortizing payment.

² Must have greater than 3 years remaining on first mortgage; No Supplemental allowed if less than 3 years remaining on first; if less than 5 years remains on first, add 5 bps

For more information, visit FreddieMac.com/Multifamily