



## Targeted Affordable Housing (TAH): Comparing our Securitization and Portfolio Executions

	Securitization Execution	Portfolio Execution
<b>Targeted Affordable Housing (TAH) Offerings</b>	Stabilized cash mortgages with terms $\leq$ 15 years	<ul style="list-style-type: none"> <li>All moderate rehabilitation loans with rehabilitation periods exceeding 6 months and terms <math>\geq</math> 15 years</li> <li>Bond Credit Enhancement Mortgages with 4% LIHTC</li> <li>Bond Credit Enhancement Mortgages with Other Affordability Components</li> <li>9% LIHTC Cash Mortgages (Forward Commitments)</li> </ul>
<b>Pricing</b>	Lower risk-based pricing over portfolio, in most cases	Risk-based pricing
<b>Loan-to-Value Ratio and Debt Coverage Ratio</b>	See our <a href="#">product term sheets</a>	See our <a href="#">product term sheets</a>
<b>Prepayment Premium</b>	Yield maintenance until securitized followed by 2-year lockout; defeasance thereafter. No premium for final 90 days. <ul style="list-style-type: none"> <li>If loan is not securitized within first year, then yield maintenance applies for the life of the loan</li> <li>If the loan is securitized, yield maintenance is available for an additional cost</li> </ul>	Yield maintenance
<b>Freddie Mac Point of Contact</b>	<ul style="list-style-type: none"> <li>Single loan transactions – Home Office TAH team</li> <li>Structured transactions (multiple loan pools) – Structured Affordable Transaction team</li> </ul>	<ul style="list-style-type: none"> <li>Single loan transactions – Home Office TAH team</li> <li>Structured transactions (multiple loan pools) – Structured Affordable Transaction team</li> </ul>
<b>Primary Servicer</b>	Seller/Servicer may serve as the Primary Servicer or Subservicer, at its discretion, pursuant to the terms of the <i>Freddie Mac Multifamily Seller/Servicer Guide</i>	Seller/Servicer
<b>Income and Expense Statements</b>	Annual Income & Expense (AIE) statements required monthly until loan securities are sold; quarterly thereafter	AIE submission required annually
<b>Supplemental Financing Available</b>	Yes, subject to requirements specified in the Multifamily Loan and Security Agreement	Yes
<b>Borrowing Entity</b>	<ul style="list-style-type: none"> <li>Borrower may generally be a limited partnership, corporation, limited liability company, or a tenancy-in-common (TIC) with 10 or fewer tenants in common.</li> <li>General partnerships, limited liability partnerships, REITs and certain trusts may also be acceptable in limited circumstances, subject to additional requirements.</li> <li>Borrower must generally be a Single Purpose Entity (SPE) (see Section 6.13 of the Loan Agreement for basic SPE requirements); however, on loans less than \$5 million, upon Borrower's request, a Borrower other than a TIC may be a Single Asset Entity (SAE) instead of an SPE.</li> <li>If the borrower is structured as a Tenancy In Common (TIC), each Tenant in Common must be an SPE.</li> </ul>	Typically, an SAE