

## FREDDIE MAC OPTIGO®

# Manufactured Housing Resident Owned Community Loan (MHROC)

Get flexible financing and competitive pricing, with certainty and speed of execution. Our Manufactured Housing Resident Owned Community (MHROC) loans provide an affordable housing option for underserved populations, particularly in rural and non-metro areas nationwide where MHROCs are an important source of affordable housing.

### CUSTOMIZED LOANS FOR MANUFACTURED HOUSING COMMUNITIES OWNED BY RESIDENTS

<b>ELIGIBLE PROPERTY TYPES</b>	Existing, stabilized, high-quality, professionally managed MHROCs, with or without age restrictions.
<b>ELIGIBLE TRANSACTION TYPES</b>	<ul style="list-style-type: none"> <li>Acquisition/Conversion: An Acquisition Mortgage on a Manufactured Housing Community which is in the process of converting from a rental property to an MHROC. The MHROC Borrower must be formed prior to rate lock.</li> <li>Seasoned Refinance: A Refinance Mortgage on an existing MHROC with most shares already sold to resident shareholders.</li> </ul>
<b>ELIGIBLE BORROWERS</b>	Not-for-profit cooperative corporation or association (Co-op) in which shares in the Co-op are sold to shareholders and such shares entitle the shareholder to occupy a specific pad.
<b>REQUIREMENTS FOR RESIDENT SHAREHOLDERS</b>	<p>At rate-lock:</p> <ul style="list-style-type: none"> <li>100% of pads must be owned by the MHROC Borrower.</li> <li>At least 90% of shares must be owned by resident-shareholders. Seasoned Refinances offer flexibility on this point with alternate sizing.</li> </ul>
<b>DEBT SERVICE RESERVE</b>	May be required.
<b>ELIGIBLE OPTIGO SELLER/SERVICERS</b>	Freddie Mac Multifamily Optigo Seller/Serviceers may originate or service a MHROC loan. Preferred Seller/Serviceers have staff that is experienced and knowledgeable in the structure, origination and delivery of MHROC loans.
<b>TERMS</b>	5- to 30-year terms.
<b>MINIMUM UPB AMOUNT</b>	\$500,000.
<b>MAXIMUM AMORTIZATION</b>	30 years.
<b>INTEREST RATE</b>	Fixed-rate only, floating-rate not permitted; please refer to the Fixed-Rate Loan term sheet for additional information.
<b>INTEREST ONLY</b>	Amortizing only, Interest only not permitted.
<b>PREPAYMENT PROVISIONS</b>	Refer to the Fixed-Rate Loan term sheet for additional information.
<b>RECOURSE REQUIREMENTS</b>	Non-recourse, guarantor not required.
<b>SUPPLEMENTAL FINANCING</b>	Available, subject to the Supplemental Loan offering requirements.
<b>HOME RENTALS</b>	The percentage of homes owned by the borrower, borrower-affiliate, or third-party investor cannot exceed 5% in aggregate.
<b>TAX AND INSURANCE ESCROW</b>	Required.
<b>REPLACEMENT RESERVE ESCROW</b>	Minimum \$50/site/year and \$250/borrower-owned manufactured home/year (if included in the collateral).

For important disclosures about Lument and the information found in this term sheet [click here](#).

<b>APPLICATION FEE</b>	Greater of \$2,000 or 0.1% of loan amount.
<b>EARLY RATE AND SPREAD LOCK OPTIONS</b>	Standard Delivery.
<b>REFINANCE TEST</b>	Refinance Test is necessary on all MHROC loans.
<b>ADDITIONAL CONSIDERATIONS</b>	<ul style="list-style-type: none"> <li>• Private facilities (e.g., wells and septic systems) are allowed with considerations.</li> <li>• Rental leases cannot contain options to purchase pad sites or borrower-owned manufactured homes.</li> <li>• Retail sales or financing by borrowing entity of any manufactured homes or shares in the MHROC Borrower is not allowed.</li> <li>• RV campgrounds and broken condominiums are excluded.</li> <li>• Wrap financing, seller financing, mezzanine financing, and preferred equity are not permitted.</li> <li>• Freddie Mac will not purchase end loans or loans to individual shareholders.</li> </ul>

### Fixed-Rate LTV Ratios and Amortizing DCRs<sup>1</sup>

<b>FIXED-RATE BASE CONVENTIONAL MAXIMUM LTV AND MINIMUM DCR (ALL AMORTIZING)</b>	<b>ACQUISITIONS/CONVERSIONS</b>	<b>SEASONED REFINANCES</b>
<b>AS MARKET RATE RENTAL<sup>2</sup></b>	70% / 1.40x.	70% / 1.40x.
<b>AS COOPERATIVE<sup>3</sup></b>	NA / 1.15x.	NA / 1.10x.

<sup>1</sup>Adjustments to DCRs and LTVs may be required depending on the property, product and/or market.

<sup>2</sup>As market rate rental' – income and expenses underwritten as a conventional rental property operation.

<sup>3</sup>As cooperative' – income and expenses underwritten as a resident-owned cooperative (as-is).