



Bridge to Resyndication

Bridge Loan for LIHTC-Eligible Properties

A Bridge to Resyndication Loan provides efficient, short-term financing (a taxable acquisition bridge loan) to help borrowers acquire or refinance Low-Income Housing Tax Credit (LIHTC) eligible properties.

The funding is a much-needed bridge that positions properties for recapitalization using 4 percent LIHTCs and long-term Freddie Mac financing, such as our [Tax-Exempt Loans](#).

The Freddie Mac Difference

When it comes to multifamily finance, Freddie Mac gets it done. We work closely with our OptigoSM network of Seller/Service providers to tackle complicated transactions, provide certainty of execution and fund quickly.

Contact your Freddie Mac Multifamily representative today — we're here to help.

Borrowers Who Want to Know More

Contact one of our Optigo Seller/Service providers at:
mf.freddie.com/borrowers/

PRODUCT SNAPSHOT

- Supports the preservation of affordable housing
- 24-month loan (with one 6-month extension with approval)
- Interest-only
- Floating rate
- We support eligible mixed-use properties

Freddie Mac Multifamily
Green Advantage[®]

Our Freddie Mac Multifamily **Green Advantage**[®] initiative rewards Borrowers who improve their properties to save energy or water.

Eligible Borrowers	<ul style="list-style-type: none"> Developers/owners with financial capacity who have successfully completed multiple resyndications using 4% LIHTC and tax-exempt debt
Eligible Property Types	<ul style="list-style-type: none"> LIHTC properties at or nearing the end of their compliance period with LIHTC rents Construction must be sound but will often require moderate repair; the only construction completed during the term of this facility would be any required life-safety repairs and material deferred maintenance Must include evidence that a public agency with authority to issue Volume Cap Mortgage Revenue Bonds has sufficient tax-exempt bond (or loan) availability to meet the allocation needs of the anticipated LIHTC resyndication and has a highly predictable process for that allocation A rider to the loan agreement (see below) will include specific performance benchmarks necessary to achieve the resyndication along with interim dates by which they will be achieved; examples would include final plans and specifications for rehabilitation, bond inducement resolution and commitment from the LIHTC investor
Product Description	<ul style="list-style-type: none"> 24-month loan with one 6-month extension, with approval (see “Extension” below) Interest-only, floating-rate loan Standby Fee applicable when used in conjunction with a TEL forward
Minimum Debt Coverage Ratio (DCR)	1.15x standard
Maximum Loan-to-Value (LTV) Ratio	<ul style="list-style-type: none"> 85% Cash equity requirement: 15% if owned less than 3 years
Minimum Occupancy	Determined at funding using the comparable fixed rate to achieve a 1.0x DCR

<p>Rider to Loan Agreement</p>	<ul style="list-style-type: none"> ▪ Will provide specific performance benchmarks and dates by which they must be achieved ▪ Performance benchmarks will be based on specific requirements necessary to close the LIHTC resyndication; these will include: <ul style="list-style-type: none"> - Bond inducement resolution - 4% tax credit allocation - Final plans, specifications and budget for rehabilitation - LIHTC investor commitment - Commitments for all other sources necessary to close the LIHTC resyndication
<p>Extension</p>	<p>Freddie Mac approval required and will be based on progress toward LIHTC resyndication 0.5% fee required</p>
<p>Asset Management</p>	<p>Quarterly reporting; borrower will provide quarterly updates on progress toward LIHTC resyndication, such as bond inducement resolution, LIHTC investor commitment, completion of plans and specifications, and general contractor bids for construction</p>
<p>Breakage Fee</p>	<p>2%</p>
<p>Exit Fee</p>	<p>2%; waived if refinanced by a Freddie Mac securitizable loan</p>

For More Information

Contact your Targeted Affordable Housing representative.