▶ Conventional

Optigo® Conventional Forwards

Certainty of Execution for New Housing Supply

Freddie Mac's Conventional Forwards encourage the creation of new housing supply by providing takeout certainty to developers and construction lenders; helping to address long-term supply shortages that limit affordability and housing choice.

In an evolving multifamily lending environment, our Conventional Forwards provide clarity to the terms of the permanent debt needed when a property stabilizes after new construction or major rehabilitation.

The Freddie Mac Difference

When it comes to multifamily finance, Freddie Mac gets it done. We work closely with our Optigo network of lenders 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 lenders at mf.freddiemac.com/borrowers/.

Product Snapshot

- Hedge interest rate risk
- Get competitive pricing for a unique execution
- Build or rehabilitate with permanent loan certainty
- Available for both fixed and floating rate loans

Index Lock

Freddie Mac Multifamily's Index Lock allows borrowers to lock in the most volatile part of the coupon, the Treasury index. Get certainty of execution through our lock options.

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Conventional: Forwards

Product Description	Unfunded forward commitments for new construction or major rehabilitation
Eligible Borrowers	• Borrower may be a limited partnership, corporation, or limited liability company • General partnerships, limited liability partnerships, real estate investment trusts (REITs) and certain trusts may also be acceptable in limited circumstances, subject to additional requirements • Borrower must be a Single Purpose Entity (SPE)
Eligible Property Types	To-be-built or substantially rehabilitated garden, mid-rise, high-rise or build-to-rent communities.
Terms	• Fixed Rate - Up to 15 years • Floating Rate - Up to 10 years
Amount	Minimum $10 million
Type of Funding	Forward commitment to provide permanent financing upon successful conversion from construction phase to permanent phase
Minimum Debt Coverage Ratio (DCR)	1.25x
Maximum Loan-to-Value (LTV) Ratio	80%
Maximum Forward Commitment Term	Up to 48 months (with available extensions)
Maximum Amortization	Up to 35 years, depending on the market. Please contact your Relationship Manager to discuss.
Prepayment Provisions	Defeasance or yield maintenance
Subordinate Financing	Not Permitted
Tax and Insurance Escrows	Required
Fees	Application fee, conversion assurance fee, standby fee, make-whole provision (including breakage)

For More Information

Contact your Freddie Mac Multifamily Conventional representative.

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