Conventional

PRODUCT SNAPSHOT

- Designed specifically for MHC funding
- Expands affordable housing options for underserved populations, particularly in rural and non-metro areas where MHCs are more prevalent
- Up to 25% of the homes can be rentals
- Predominately all-age or family

Manufactured Housing Community Loan

Customized Loans for Manufactured Housing Communities

With flexible financing, competitive pricing, and certainty and speed of execution, our manufactured housing community (MHC) loans provide an affordable housing option for underserved populations, particularly in rural and non-metro areas across the country, where MHCs are an important source, sometimes the only source, of affordable housing.

The Freddie Mac Difference

When it comes to multifamily finance, Freddie Mac gets it done. We work closely with our Sellers 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 approved Seller/Servicers at:

https://mf.freddiemac.com/borrowers/

Freddie Mac MULTIFAMILY

Eligible Property Types	Existing, stabilized, high-quality, professionally managed manufactured housing communities (MHCs), with or without age restrictions, excluding Seniors Housing Loans
Eligible Seller/ Servicers	Freddie Mac Multifamily Approved Seller/Servicers may originate or service a MHC loan. We prefer Seller/Servicers with a staff that is experienced and knowledgeable in the structure, origination and delivery of MHC loans.
Eligible Borrowers	A key principal should have two or more years of experience in operating MHCs and should own one other MHC property The borrower may be a limited partnership, corporation, limited liability company, or a tenancy in common (TIC) with 10 or fewer tenants in common. General partnerships, limited liability partnerships, REITs and certain trusts may also be acceptable in limited circumstances, subject to additional requirements A borrower must be a Single Purpose Entity (SPE). On loans less than $5 million, a borrower other than a TIC may be a Single Asset Entity instead If the borrower is a TIC, each TIC must be an SPE
Terms	Up to 5-, 7- and 10-year terms; longer-term loans considered on a case-by-case basis
Amount	$1 million or larger
Maximum Amortization	30 years
Interest Rate	Fixed- or floating-rate options are available; please refer to the Fixed-Rate Loan and Floating-Rate Loan term sheets for additional information
Interest Only	Partial-term and full-term interest-only available; see chart below and related footnotes
Prepayment Provisions	Refer to the Fixed-Rate Loan and Floating-Rate Loan term sheets for additional information.
Recourse Requirements	Non-recourse except for standard carve-out provisions
Supplemental Financing	Available, subject to the Supplemental Loan offering requirements
Tax and Insurance Escrows	Required

Replacement Reserve Escrow	Minimum $50/site/year and $250/borrower-owned manufactured home/year (if included in the collateral)
Application Fee	Greater of $2,000 or 0.1% of loan amount
Early Rate and Spread Lock Options	Early rate and spread lock options available, typically ranging from 60 days to 120 days, including our early rate-lock and Index Lock options.
Refinance Test	No Refinance Test is necessary if the loan has an amortizing debt coverage ratio (DCR) of 1.40x or greater and a loan-to-value (LTV) ratio of 65% or less; all partial-term interest-only loans must pass the Refinance Test
Additional Considerations	The property must have a minimum of five pad sites The percentage of homes owned by the borrower, borrower-affiliate, or third-party investor cannot exceed 25% in aggregate Homes must conform to the requirements of the Federal Manufactured Home Construction and Safety Standards Act of 1974 (HUD Code Standards) Private wells and septic systems are allowed with considerations Leases cannot contain options to purchase pad site or borrower-owned manufactured homes Retail sales or financing by borrowing entity of any manufactured homes is not allowed RV campgrounds and broken condominiums are excluded

Fixed-Rate/Floating-Rate[1] LTV Ratios And Amortizing[2] DCRS

Fixed-Rate Base Conventional Maximum LTV and Minimum DCR[3]	Amortizing	Partial-Term Interest-Only[4]	Full-Term Interest-Only
Acquisitions and Refinances			
≥ 5-Year and < 7-Year Term	75% / 1.30x	75% / 1.30x	65% / 1.40x
7-Year Term	80% / 1.25x	80% / 1.25x	70% / 1.35x
> 7-Year Term	80% / 1.25x	80% / 1.25x	70% / 1.35x

1 Floating-rate proceeds are calculated based on the comparable fixed note rate.
2 The DCR calculated for the partial-term interest-only and full-term interest-only period used an amortizing payment.
3 Adjustments may be required depending on the property, product and/or market.

[4] For partial-term interest-only loans, there must be a minimum amortization period of 5 years. Acquisition loans with a minimum of a 5-year term may have up to 1 year of partial-term interest-only. For terms of 10 years of more, loans have interest-only in an amount equal to no more than half of the loan term.

FOR MORE INFORMATION

Contact your Freddie Mac representative.

February 2018