Manufactured Housing Community Loan
Customized Loans for Manufactured Housing Communities

With flexible financing, competitive pricing, 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, and sometimes 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 Optigo® 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/

- 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-ages or families
- Implementation of MHC tenant protections required
### Eligible Property Types
Existing, stabilized, high-quality, and professionally managed manufactured housing communities (MHCs), with or without age restrictions, excluding Seniors Housing properties.

### Eligible Optigo Lenders
Freddie Mac Multifamily Optigo lenders may originate or service an MHC loan – preferably with a staff that is experienced and knowledgeable in the structure, origination, and delivery of MHC loans.

### Eligible Borrowers
The sponsor 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.
### 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 60% or less

### MHC Tenant Protections
Within 12 months after loan origination, MHC Tenant Protections must be included in all leases, community rules and regulations, or other written agreements approved by Lender, with owners and renters of Manufactured Homes at the Property, as applicable (see end of Term Sheet for further details)

### Additional Considerations
- The property must have a minimum of five pad sites
- The percentage of homes owned by a borrower affiliate or third-party investor cannot exceed 25% in aggregate
- Freddie Mac prefers all homes 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
- 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\(^2\) DCR\(^3\)

<table>
<thead>
<tr>
<th>Fixed-Rate Base Conventional Maximum LTV and Minimum DCR(^3)</th>
<th>Amortizing</th>
<th>Partial-Term Interest-Only(^4)</th>
<th>Full-Term Interest-Only</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Acquisitions and Refinances</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>≥ 5-Year and &lt; 7-Year Term</td>
<td>75% / 1.30x</td>
<td>75% / 1.30x</td>
<td>65% / 1.40x</td>
</tr>
<tr>
<td>7-Year Term</td>
<td>80% / 1.25x</td>
<td>80% / 1.25x</td>
<td>70% / 1.35x</td>
</tr>
<tr>
<td>&gt; 7-Year Term</td>
<td>80% / 1.25x</td>
<td>80% / 1.25x</td>
<td>70% / 1.35x</td>
</tr>
</tbody>
</table>

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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.

mf.freddiemac.com/product/
MHC Tenant Protections

1. One-year renewable lease term, unless there is good cause for non-renewal. “Good cause” includes violations of law, an existing default in the payment of rent at time of lease renewal (subject to applicable grace period and cure rights), and serious or repeated violations of the material terms and conditions of its lease.

2. 30-day written notice of rent increases*

3. 5-day grace period for rent payments and the right to cure rent payment defaults within the cure period set forth in the lease. If the lease has no cure period, then the right to cure the rent payment default within 10 days after expiration of the 5-day grace period*

4. Right to sell the manufactured home to a buyer that qualifies as a new tenant in the MHC, without having to first relocate it out of the MHC

5. Right to sell the manufactured home in place within 30 days after eviction, subject to MHC owner's right to prevent a dangerous condition or any threat or risk of bodily harm to tenants or visitors of the MHC; nothing prohibits the MHC owner from exercising any right or remedy available against tenant under law

6. Right to (a) sublease, and (b) assign the pad site lease for the unexpired term, to the new buyer or sublessee of the tenant's manufactured home without any unreasonable restraint, so long as the new buyer or sublessee, as applicable, qualifies as a new tenant within the MHC (including satisfying applicable credit and background checks and requirements in the MHC rules and regulations)

7. Right to post “For Sale” signs that comply with MHC rules and regulations

8. Right to receive at least 60 days’ notice of planned sale or closure of the MHC*

Any protection that violates applicable law or is less favorable to a resident than applicable law will be automatically void and will not affect the enforceability of any other provisions of the agreement.

Note: *All eight protections apply to owners of manufactured homes at the Property. Protections 2, 3, and 8 also apply to renters of manufactured homes at the Property.

FOR MORE INFORMATION

Contact your Freddie Mac representative.