Conventional

Optigo® Manufactured Housing Resident Owned Community Loan



Customized Loans for Manufactured Housing Communities Owned by Residents

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.

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/.

Product Snapshot

- Designed specifically for MHROCs (also known as MH Cooperatives)
- Expands affordable housing options for underserved populations, particularly in rural and non-metro areas where MHROCs are prevalent
- Acquisitions/Conversions or Seasoned Refinances permitted
  - Acquisition/Conversion: Acquisition Mortgage on a Manufactured Housing Community in the process of converting from a rental property to an MHROC
  - Seasoned Refinance: Refinance Mortgage on an existing MHROC with most shares already sold to resident shareholders

DUTY TO SERVE

mf.freddiemac.com/product/

The information in this document is not a replacement or substitute for information found in the Freddie Mac *Multifamily Seller/Servicer Guide*. Terms set forth herein are subject to change without notice.

06/23

Freddie Mac MULTIFAMILY

Conventional - MHROC

Eligible Property Types	Existing, stabilized, high-quality, professionally managed MHROCs, with or without age restrictions
Eligible Transaction Types	• 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 • Seasoned Refinance: A Refinance Mortgage on an existing MHROC with most shares already sold to resident shareholders
Eligible Borrowers	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
Requirements for Resident Shareholders	At rate-lock: • 100% of pads must be owned by the MHROC Borrower • At least 90% of shares must be owned by resident-shareholders *Seasoned Refinances offer flexibility on this point with alternate sizing*
Debt Service Reserve	May be required
Eligible Optigo Seller/Servicers	Freddie Mac Multifamily Optigo Seller/Servicers may originate or service a MHROC loan. Preferred Seller/Servicers have staff that is experienced and knowledgeable in the structure, origination and delivery of MHROC loans
Terms	5- to 30-year terms
Minimum UPB Amount	$500,000
Maximum Amortization	30 years
Interest Rate	Fixed rate only, floating rate not permitted; please refer to the Fixed-Rate Loan term sheet for additional information
Interest Only	Amortizing only – Interest only not permitted
Prepayment Provisions	Refer to the Fixed-Rate Loan term sheet for additional information
Recourse Requirements	Non-recourse, guarantor not required
Supplemental Financing	Available, subject to the Supplemental Loan offering requirements

The information in this document is not a replacement or substitute for information found in the Freddie Mac *Multifamily Seller/Servicer Guide*. Terms set forth herein are subject to change without notice.

Home Rentals	The percentage of homes owned by the borrower, borrower-affiliate, or third-party investor cannot exceed 5% in aggregate
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	Standard Delivery
Refinance Test	Refinance Test is necessary on all MHROC loans
Additional Considerations	• Private facilities (e.g., wells and septic systems) are allowed with considerations • Rental leases cannot contain options to purchase pad sites or borrower-owned manufactured homes • Retail sales or financing by borrowing entity of any manufactured homes or shares in the MHROC Borrower is not allowed • RV campgrounds and broken condominiums are excluded • Wrap financing, seller financing, mezzanine financing, and preferred equity are not permitted Freddie Mac will not purchase end loans or loans to individual shareholders

Fixed-Rate LTV Ratios and Amortizing DCRS[1]

Fixed-Rate Base Conventional Maximum LTV and Minimum DCR (all amortizing)	Acquisitions/Conversions	Seasoned Refinances
As Market Rate Rental[2]	70% / 1.40x	70% / 1.40x
As Cooperative[3]	NA / 1.15x	NA / 1.10x

1 Adjustments to DCRs and LTVs may be required depending on the property, product and/or market.
2 'As market rate rental' – income and expenses underwritten as a conventional rental property operation.
3 'As cooperative' – income and expenses underwritten as a resident-owned cooperative (as-is).

For More Information

Contact your Freddie Mac Multifamily representative.

The information in this document is not a replacement or substitute for information found in the Freddie Mac *Multifamily Seller/Servicer Guide*. Terms set forth herein are subject to change without notice.