



# NOAH Preservation Loan

## Preserving Naturally Occurring Affordable Housing

Our Naturally Occurring Affordable Housing (NOAH) Preservation Loan provides qualifying nonprofits with important underwriting flexibilities, fee reductions and rehab allowances. This gives them the competitive advantage they need to acquire the property and helps them better leverage their nonprofit status and local programs to preserve long-term affordability.

### 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/](http://mf.freddiemac.com/borrowers/)

- Supports long-term preservation of naturally occurring affordable housing
- Eligible 501(c)(3) nonprofit organizations

Freddie Mac Multifamily  
**Green Advantage**®

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

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| <b>Eligible Property Types</b>                       | Garden, mid-rise, or high-rise multifamily NOAH properties   |
| <b>Eligible Optigo Lenders</b>                       | TAH lenders  |
| <b>Eligible Borrowers</b>                            | 501(c)(3) nonprofit organizations with affordable housing preservation as a stated part of its mission and a demonstrated history of successful property ownership   |
| <b>Minimum Affordability</b>                         | At least 50% of the units must have affordable rents at 60% / 80% / 100% / 120% area median income (AMI) based on market at the time of origination  |
| <b>Minimum Equity Requirements</b>                   | <p>Nonprofit must meet at least one of the following:</p> <ul style="list-style-type: none"> <li>▪ Have an equity partner providing mission-focused equity</li> <li>▪ Contribute 100% of the equity themselves (leveraging soft debt as necessary)</li> <li>▪ Use the Freddie Mac Impact Gap Financing offering</li> </ul> |
| <b>Loan Term<sup>1</sup></b>                         | Up to 15 years   |
| <b>Maximum Amortization</b>                          | Up to 30 years   |
| <b>Minimum Debt Coverage Ratio (DCR)<sup>2</sup></b> | 1.25x with 1.20x available subject to underwriting approval  |
| <b>Maximum Loan-to-Value (LTV) Ratio<sup>2</sup></b> | 80% LTV  |
| <b>Tax and Insurance Escrows</b>                     | Required   |
| <b>Fees</b>  | <p>Application fee and Commitment fee</p> <p>Servicing document review fee discounted to \$1,500 per review for items disclosed prior to origination</p>   |
| <b>Payment Structure</b>                             | Per Freddie Mac Commitment   |
| <b>Prepayment Provisions</b>                         | Yield Maintenance or defeasance (to be determined at quoting stages based on transaction structure)  |

|                                     |                                  |
|-------------------------------------|----------------------------------|
| <b>Non-recourse and/or Guaranty</b> | Per Freddie Mac Commitment       |
| <b>Moderate Rehabilitation</b>      | Subject to underwriting approval |

<sup>1</sup> Loan terms may be up to 30 years which will be determined on a case-by-case basis

<sup>2</sup> Underwriting parameters are maximum allowed by the program. Transactions will be screened on a deal-by-deal basis and parameters may be adjusted at the Freddie Mac Underwriting team's discretion.

## For More Information

**Contact your Targeted Affordable Housing representative.**