

# 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® 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.freddie.mac.com/borrowers/](https://mf.freddie.mac.com/borrowers/).

### Product Snapshot

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

## Green Advantage®

Our Freddie Mac Multifamily [Green Advantage](#) initiative rewards borrowers who improve their properties to save energy or water.

## ► Targeted Affordable: NOAH Preservation Loan

Eligible Property Types	Garden, mid-rise, or high-rise multifamily NOAH properties
Eligible Optigo Lenders	TAH lenders
Eligible Borrowers	501(c)(3) nonprofit organizations with affordable housing preservation as a stated part of its mission and a demonstrated history of successful property ownership
Minimum Affordability	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
Minimum Equity Requirements	Nonprofit must meet at least one of the following: <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>
Loan Term <sup>1</sup>	Up to 15 years
Maximum Amortization	Up to 30 years
Minimum Debt Coverage Ratio (DCR) <sup>2</sup>	1.25x with 1.20x available subject to underwriting approval
Maximum Loan-to-Value (LTV) Ratio <sup>2</sup>	80% LTV
Tax and Insurance Escrows	Required
Fees	<ul style="list-style-type: none"> <li>• Application fee and Commitment fee</li> <li>• Servicing document review fee discounted to \$1,500 per review for items disclosed prior to origination</li> </ul>
Payment Structure	Per Freddie Mac Commitment
Prepayment Provisions	Yield Maintenance or defeasance (to be determined at quoting stages based on transaction structure)
Non-recourse and/or Guaranty	Per Freddie Mac Commitment
Moderate Rehabilitation	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.

[mf.freddie.com/product/](https://mf.freddie.com/product/)

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

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