



Freddie Mac Seniors Housing Narrative for Quote

Loan Amount: \$X		
Loan Amount/ Unit:		
Refinance/Acquisition		
Term / IO / Rate Type		
LTV:		
LTPP:		
DSCR:		
Cash Equity Remaining		
Cash out to the borrower		
Estimated Value or Purchase Price: \$X (\$X /unit)		
Implied Cap Rate Proforma:		
Implied Cap Rate T12:		
Collateral: X units / X beds		
Service Mix: IL # (%) / AL # (%) / ALZ # (%) / SNF # (%)		
Date Opened:		
Current Occupancy (date):		
T3 Average Occupancy:		
T3 Average Occupancy Increase/Decrease and by what %:		
Break Even Occupancy:		
Mission:		
Metro:		

Private Pay/Medicaid:		
UW Note Rate		

Transaction Overview

Narrative of the transaction including any “story” and a brief high-level summary, including but not limited to, who owns and operates, what acuity and unit count, where, when must it close or when did they buy/build it.

Property Website

Link to Maps

(include pictures and aerials of property layout as separate files)

Sources and Uses:

Strengths:

Weaknesses:

Covid Summary:

Covid Tracker, a separate file, to be submitted with package.

Any story or color beyond what is in the Excel Covid Tracker Worksheet. Important to understand visitation policy, move in policy, testing procedures, COVID 19 vaccination registration status/plans and recurring/ongoing COVID expenses

Borrower:

Guarantor(s):

Ownership Interest in borrower, and role:

Net Worth/Liquidity:

REO (if different from KP information below):

Borrowing entity, ownership make up –

Key Players and Principals:

Where are they based? What is their Ownership in the subject, their role, and their experience and ownership in Seniors Housing? (# of properties, locations, # units, how long in the business).

If a company/non warm body, then who is in control behind the company and what is their experience. If a fund, when does the fund expire? Is the fund made up of institutional investors? Is the Management team of the fund invested in the fund?

Color on portfolio performance. Including but not limited to, have they sought forbearance on any of their loans? Confirmation they have not had any credit defaults in the last 12 months.

Google Search of clients and any results we should be aware of

Company Website

Org Chart if available.

Operator:

Do they have ownership in the borrower?

Where are they based?

Their portfolio

How many properties (locations)? What acuity? How many Units?

Management Contract Fee/Structure details

Market:

Talk to your client and/or the ED about the market, make sure you are getting information from them on new supply and competition, as well as looking at NIC Data.

Occupancy by Acuity: Market, 10-mile radius and 5-mile radius

New Supply: Market, 10-mile Radius and 5 Mile Radius (names, operator, how far from asset, acuity mix)

What is the new supply as a % of the current supply in that area?

Why shouldn't or should the new units or property impact our asset?

Rent Comps:

	Subject Property	Comp Name	Comp Name	Comp Name	Comp Name
Address, City, State					
MSA / Submarket					
Distance from Subject					
Year Built					
Occupancy					
IL, AL,ALZ unit mix					

Current Rents -					
IL / AL / ALZ / SN					
Owner/Operator					

Current Rents at the Subject Property:

Discuss rents and rent trends, for example:

- Are rents for all acuity levels within the comparable property range?
- When was the last increase at the subject property? What percent? Annual or on the anniversary of the lease?

Underwriting:

If UW is not easily explained in the LST please provide color, including but not limited to comments below, within the narrative.

- GPR based on X/X/XX rent roll
- Concessions:
 - Any concessions required currently? What is amount and timing?
 - Any concession required during last 12 months? What was amount and timing?
- Vacancy: how it compares to market/submarket
- UW Collections:
- Community Fees: Based on X, which is in line with a X turnover rate, and average community fee of x
- RET: (include Math)
- Insurance (renewal date XX/XX/XX):
- Utilities:
- R&M:
- Payroll:
- G&A:
- Seniors Expenses:
- Management Fee:
 - Actual and UW
- Covid Expense:
 - One Time Expenses not UW (\$ and explanation)
- Replacement Reserves:
- NOI comparison (i.e. stressed vs as-is, T12, etc)

Competition and Hot Buttons:

Reminders for items needed in the LST that we often find incomplete or missing

T12, T3 and collections to be based on month ending within no more than 45 days (ie submit November 8th, then through September, if submit November 24th, then through October)

Borrower's budget

RR dated within last 15 days

Collections Tab and I&E to be filled out for at least 2 years, ideally three.

Occupancy by Acuity Tab needs to be complete