



FREDDIE MAC® Seniors Housing

Arbor's Senior Housing Loan offers flexible loan terms for variety of seniors housing property types.

Loan Amount	Minimum is \$5,000,000, with exceptions on a case-by-case basis.
Loan Term	5-10 years (up to 30 years for fixed-rate loans).
Financing Options	Acquisition or refinance loans, bond credit enhancement, Freddie Mac's Revolving Credit Facility and Targeted Affordable Housing transactions.
Minimum DSCR	1.30x for independent living; 1.40x for facilities with an assisted living and/ or Alzheimer's component greater than 50%; Coverage for properties contain any skilled nursing component is 1.45x.
Maximum LTV	Maximum 75% of appraised value, maximum of 80% for tax-exempt bond finance transactions.
Rate Structure	Fixed and adjustable rate options available.
Eligible Properties	<ul style="list-style-type: none"> • Independent living properties • Assisted living properties • Memory care properties • Properties with a limited amount of skilled nursing (maximum 20% of NOI) • Any combination of the above
Eligible Borrowers/ Borrowing Entity	<ul style="list-style-type: none"> • Experienced owner/operator of comparable facilities • If the loan is less than \$5 million, the borrower may be a Single Asset Entity (SAE) with some additional restrictions and may be a limited partnership, general partnership (no individuals may be general partners), limited liability company, corporation, or real estate investment trust (must be a corporation, not a trust) • If the loan is \$5 million or more, the borrower may be a limited partnership, a corporation, or a limited liability company and must be a Single Purpose Entity (SPE) • If the borrower is structured as Tenancy In Common (TIC), each Tenant In Common must be a SPE
Eligible Loans	<ul style="list-style-type: none"> • Fixed-rate loans • Standard and capped floating rate loans • Supplemental Loans (subject to requirements in the Loan Agreement) and other options • Other FMAC loan programs may be available on a waiver basis
Tax & Insurance Escrow	Generally required.
Replacement Reserve Escrow	Generally required.



Recourse	Non-recourse with standard exceptions, including for fraud and misrepresentation.
Commercial Space	No more than 20% of effective gross income and not more than 20% of property's total square footage.
Required Reports	Appraisal, Property Condition Assessment, Phase I Environmental, Zoning, Termite, Flood and Seismic Report (for properties in Seismic Zones 3 and 4). Licensed Seniors Housing Properties also require a Seniors Housing Liability Assessment Report.
Prepayment	Defeasance for fixed-rate loans. Yield maintenance option available. Four main prepayment options available for floating-rate loans. No premium for final 90 days.
Assumable	Subject to approval and 1% fee.
Subordinate Financing	Not allowed.
Supplemental Loans Available	Subject to requirements in the loan agreement and Freddie Mac.
Refinance Test	No Refinance Test is necessary if the loan has an LTV of 55% or less and an amortizing debt coverage ratio of: <ul style="list-style-type: none">• For Independent Living: $\geq 1.45x$• For Assisted Living: $\geq 1.55x$• For Assisted Living with Skilled Nursing Beds: $\geq 1.60x$ All partial-term interest-only loans must pass the Refinance Test.
Pricing	Tiered Pricing Matrix. More favorable pricing available for higher DSCR and lower LTV.
Rate Lock	Standard 5 day rate lock period. Early Rate Lock (for fixed-rate loans) are available for extended periods, including Freddie Mac's standard early rate-lock and index lock options.
Spread Hold	Quoted loan spreads are held for 75 days from signed loan application, allowing sufficient time to close loans at quoted spreads and, if applicable, at index lock rates.
Freddie Mac Application Fee	Greater of \$5,000 or 0.15% of loan amount.
Arbor Application Fee	Estimated at \$25,000 for third-party reports.
Legal / Closing Fee	Arbor's legal fee estimated between \$17,500 and \$25,000.
Good Faith Deposit	2% of loan amount, due at rate lock, refundable post-closing.