



FREDDIE MAC® Floating Rate

Arbor's Floating Rate program is ideal for multifamily borrowers who want to take advantage of lower short-term rates with prepayment flexibility.

Loan Amount	Generally \$5 million to \$100 million; however, larger or smaller loan amounts are considered.
Loan Term	5-, 7- and 10-year terms
Amortization	Up to 30 years. Interest-only options also available.
Minimum DSCR	1.00 at the max note rate, floaters must also be sized to a fixed-rate equivalent at 1.25x.
Maximum LTV	7-year term or greater: 80%; 5-year term: 75%.
Rate Structure	Borrower must purchase an interest rate cap from a third-party cap provider. No cap necessary for loans with an LTV ratio of less than 60%.
Eligible Properties	Multifamily. Cooperatives not allowed.
Eligible Borrower	On loans over \$5 million must be Single Purpose Entity (SPE) On loans less than \$5 million, borrower other than a tenancy in common may be a Single Asset Entity
Tax & Insurance Escrows	Generally required
Replacement Reserves	Generally required
Recourse	Non-recourse with standard exceptions for fraud and misrepresentation.
Commercial Space	No more than 40% of effective gross income and no more than 40% of the property's total square footage.
Required Reports	Appraisal, Property Condition Assessment and Phase I Environmental, Zoning, Insect and Flood.
Prepayment	Four main prepayment options are available with no premium for final 90 days
Assumable	Subject to approval and 1%
Subordinate Financing	Not allowed
Pricing	Tiered Pricing Matrix. More favorable terms are available for higher DSCR and lower LTV.
Rate Lock	Early rate-lock option available for varying durations, typically ranging from 60 to 120 days from rate-lock until Freddie Mac purchase; Sellers should consult with their regional Freddie Mac representative to determine eligibility.
Application Deposit	\$26,500. Covers all estimated underwriting costs (including application fee).
Legal/Closing Fee	Arbor's Counsel Fee to be determined at application



Good Faith Deposit

1% of the maximum mortgage amount, but not less than \$25,000.