



## FREDDIE MAC<sup>®</sup> Supplemental Mortgage

The Freddie Mac Supplemental Mortgage offers an additional option in conjunction with a newly originated or seasoned conventional multifamily mortgage.

<b>LOAN AMOUNT</b>	\$1M minimum
<b>LOAN TERM</b>	Seasoned – must be coterminous with original mortgage
<b>REQUIREMENTS</b>	<ul style="list-style-type: none"> <li>• The Freddie Mac first mortgage must have been an Arbor transaction</li> <li>• At least 12 months must elapse since the closing of the first mortgage or the closing of the previous supplemental mortgage</li> <li>• The term of the supplemental mortgage must be at least three years</li> </ul>
<b>ACCEPTABLE TRANSACTIONS</b>	<ul style="list-style-type: none"> <li>• Fixed or floating regardless of the rate structure on the preexisting loan</li> <li>• Supplemental loans are allowed on conventional deals, not to exceed DCR and LTV requirements from the first mortgage lien or current Freddie Mac Credit Policy.</li> </ul>
<b>WORKINGS</b>	<ul style="list-style-type: none"> <li>• Origination of a supplemental mortgage behind a securitized mortgage will trigger collection of any deferred reserves for that first mortgage</li> <li>• Real estate tax reserve, even if not required for the first mortgage</li> <li>• A new title insurance policy is required</li> <li>• No new survey is required, provided the title meets certain requirements</li> <li>• A new third-party appraisal report and engineering report is required; an environmental database review is required</li> </ul>
<b>LIMITATIONS</b>	<ul style="list-style-type: none"> <li>• Unlimited (subject to all terms and conditions)</li> <li>• When less than five years left on term of first, the supplemental loan sizing is subject to additional exit risk analysis</li> </ul>
<b>MINIMUM DSCR</b>	Not to exceed DCR requirements from the first mortgage lien or current Freddie Mac Credit Policy.
<b>MAXIMUM LTV</b>	Initial LTV unless otherwise noted
<b>ELIGIBLE BORROWER</b>	Original borrower or lender-approved transferee
<b>PREPAYMENT</b>	Yield maintenance
<b>ASSUMABLE</b>	Subject to approval and 1% fee
<b>APPLICATION FEES</b>	\$12,500
<b>ORIGINATION FEE</b>	Par pricing not available