FREDDIE MAC

Freddie Mac Conventional Supplemental Loan

Subordinate financing behind an existing Freddie Mac first mortgage on a stabilized multifamily property, coterminous with that first loan.

Indicative Terms

MINIMUM LOAN AMOUNT	$1,000,000.
LOAN TERM	Coterminous with the first loan. Available at least 12 months after origination of the first loan or the most recent prior supplemental, and not during the final three years of the first loan.
PRIOR LOAN REQUIREMENT	The first loan and any prior supplemental loans must have remaining terms of three years or more.
MAXIMUM LOAN TO VALUE	80%.
MINIMUM COVERAGE	1.25x.
PREPAYMENT TERMS	Structured as a yield maintenance loan.
RECOURSE REQUIREMENTS	Non-recourse except for standard carve-out provisions.
LOAN DOCUMENTS	Subject to Freddie Mac's current documentation and any applicable conditions carried over from the existing loan agreement.
RESERVE AND ESCROW REQUIREMENTS	Origination of a supplemental loan may trigger collection of deferred reserves or escrows on the first loan. Deferred insurance escrows may be permitted in limited circumstances.
FREDDIE MAC APPLICATION FEE	Set by the original loan agreement.
APPLICATION FEE	Quoted per transaction.
ORIGINATION FEE	Quoted per transaction.
LEGAL FEES	Quoted per transaction.

Eligible Properties & Sponsors

The borrower must be the original first-loan borrower or a lender-approved transferee. Where the first loan has been securitized, the supplemental must be originated by the original Optigo lender on that first loan or the Optigo lender currently servicing it; where it has not been securitized, by the Optigo lender currently servicing it. The property must be stabilized and in good standing, and the first loan must have been sourced through Conventional Cash Mortgage Purchase, Targeted Affordable Housing Cash Mortgage Purchase, Seniors Housing Cash Mortgage Purchase, or Conventional Structured Transactions.

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