



**MMA
FINANCIAL**

A MuniMae Company

**Freddie Mac
Bond Credit Enhancement - Fixed or Variable**

Eligible Properties

Affordable multifamily; new construction, acquisition or substantial rehabilitation for new money issues, refunding issues or credit substitutions.

Loan Amount

\$5 million minimum

Equity Capital

Available at competitive terms.

Credit Enhancement

Freddie Mac Credit Facility to provide AAA-rated credit enhancement.

Term

Construction - up to 36 months; extensions available
Permanent - 18 to 35 years

Amortization

30 to 35 years

Debt Service Coverage

1.15 for transactions with at least 40% affordable units and at least 7 years remaining in 10-year tax credit period. 1.25 without tax credits and 1.15 with HUD Risk Sharing.

Loan to Value

Fixed Rate: Lesser of 90% market rate value or adjusted value for a property with 90% or greater tax credit units, or 85% for a mixed-income property.
Variable Rate: Greater of 85% market value or 80% adjusted value.

Gap Funding

Permitted subject to MMA Financial guidelines, due diligence and underwriting. MMA Financial will coordinate with the syndicator.

Guaranty

Construction loan recourse for project completion and loan repayment. MMA Financial can arrange the construction phase collateral letter of credit for a reasonable fee. Permanent loan non-recourse, excluding customary carve-outs.

Variable Rate

Priced off Securities Industry and Financial Markets Association ("SIFMA") Municipal Swap Index. Interest Cap or Swap Agreement interest hedge required.

Principal Reserve

Variable Rate executions require a Principal Reserve Fund and is typically based on a 30 to 35 year amortization schedule.

Subordinate Financing

Subordinate mortgages permitted subject to secondary market guidelines, completion of due diligence and underwriting.

Transaction Costs

Due Diligence Fee: Typically, \$20,000 to \$25,000. Covers cost of third-party reports (appraisal, market feasibility, phase I environmental and plan & cost review) and lender due diligence.
Application Fee: The greater of \$3,000 or 0.1% of the Maximum Mortgage Amount
Other Costs: Borrower responsible for legal fees and customary closing costs.
Commitment Fee: Negotiable & Competitive



**Affordable Rental Housing
TERM SHEET**

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Integrity. Innovation. Service.