FREDDIE MAC TARGETED AFFORDABLE

CPC Mortgage Company
A COOPERATIVE OF IMPACT-DRIVEN NONPROFIT LENDERS AND INVESTORS

Preservation Rehabilitation Financing

Funds to Renovate Affordable Housing Properties

CPC Mortgage Company provides financing for the moderate rehabilitation of affordable properties with new Low-Income Housing Tax Credits (LIHTCs).

This product offers flexibility and certainty of execution to customers looking to renovate affordable multifamily properties.

CPC is a longtime Freddie Mac partner and an approved Optigo lender for this Freddie Mac Targeted Affordable Housing product.

Product Highlights

This product can be used with:

- Bond credit enhancements with 4% LIHTC
- Tax-exempt loans with 4% LIHTC
- 9% LIHTC cash loans
- Rehab funding with tenants in place
- Eligible mixed-use properties

	Tax-Exempt Financing with 4% LIHTC	9% LIHTC Cash Loan
Eligible Property Types	Garden, mid-rise, or high-rise multifamily properties with new 4% Low-Income Housing Tax Credit (LIHTC) undergoing moderate rehabilitation with tenants in place	Garden, mid-rise, or high-rise multifamily properties with new 9% LIHTC that are undergoing moderate rehabilitation with tenants in place
Terms	Minimum term: Remaining LIHTC compliance period or 15 years, whichever is less; 15 years with HUD Risk Sharing Maximum term: 35 years Rehabilitation/stabilization period (maximum of 24 months) will be included in loan term	Minimum term: Lesser of 15 years or the remaining LIHTC compliance period; 15 years with HUD Risk Sharing Maximum term: 35 years Rehabilitation/stabilization period (maximum of 24 months) will be included in loan term
Product Description	Tax-exempt financing for the moderate rehabilitation of affordable multifamily properties with a new 4% LIHTC and tenants in place	Financing for the moderate rehabilitation of affordable multifamily properties with a new 9% LIHTC and tenants in place
Type of Funding	Tax-exempt financing for acquisition/rehabilitation based on projected post-rehabilitation net operating income (NOI); cash or letter of credit collateral required to fund gap between supportable debt on current NOI and bond mortgage loan amount (collateral held until stabilization); interest-only during the rehabilitation/stabilization period	Financing for acquisition/rehabilitation based on projected post-rehabilitation NOI; cash or letter of credit collateral required to fund gap between supportable debt on current NOI and loan amount (collateral held until stabilization); interest-only during the rehabilitation/stabilization period
Minimum Debt Coverage Ratio (DCR)[1]	— Variable rate with cap hedge: 1.20x — Fixed rate: 1.15x	New tax credits: 1.15x
Maximum Loan-to-Value (LTV) Ratio[1]	— Variable rate with cap hedge: 80% of adjusted value or 85% of market value — Fixed rate: 85% of adjusted value or 90% of market value	90% of market value
Maximum Amortization	35 years	35 years

Prepayment Provisions	Fee maintenance	Yield maintenance
Subordinate Financing	Permitted	Permitted
Tax and Insurance Escrows	Required	Required
Fees	Application fee, commitment fee, plus other fees, as applicable	Application fee, commitment fee, plus other fees, as applicable

[1] Adjustments may be made depending on the property, product and/or market.

About CPC Mortgage Company

A first of its kind cooperative of impact-driven, nonprofit mortgage lenders and investors, CPC Mortgage Company brings together the unique expertise of managing member The Community Preservation Corporation and cooperative owners Cinnaire and National Equity Fund. This innovative model leverages the best in class execution, commitment to service, transparency and reach of three nonprofit lenders, with the shared goal of expanding and preserving affordable and workforce housing.

For more information, visit us at **communityp.com/mortgagecompany.**

CPC Mortgage Company, in its sole discretion, may, at any time and without prior notice, terminate the loan program, amend or waive compliance with any terms, or reject any or all proposals for funding. Feb., 2023