



Freddie Mac Small Balance Loan

Product Highlights

- Financing for the acquisition or refinance of small balance loans, offering partial-term and full-term interest-only
- Streamlined processes for underwriting, closing and funding
- Streamlined loan documents

Markets

Nationwide

Loan Amount

- Up to \$7.5 million in all markets
- Note: Deals greater than \$6 million and up to \$7.5 million in Small and Very Small Markets may be permitted subject to Freddie's approval of an exception request

Unit Limitations

- Loan amount ≤\$6 million: no max unit limitations
- Loan amount >\$6 million and ≤\$7.5 million: up to 100 units (exceptions permitted above 100 units)

Loan Purpose

Acquisition or Refinance

Loan Terms

20-year hybrid ARM with initial 5, 7, or 10-year fixed rate period
5, 7, or 10-year fixed rate loans

Amortization

Up to 30 years

Interest Only

Partial-term interest-only; full-term interest only may be available

Prepayments

Declining Prepayment schedules and yield maintenance available for all loan types – please refer to the chart on page 3

Eligible Borrowers / Borrowing Entities

Up to \$6 million – Individuals who are US citizens; limited partnerships; limited liability companies; Single Asset Entities (SAE); Special Purpose Entities (SPE); tenancy-in-common (TIC) with up to five unrelated members; and Trusts (irrevocable trusts and revocable trusts with an individual guarantor)

Between \$6 million and \$7.5 million – Single Asset Entities



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Recourse

Non-recourse with standard carve-out provisions required

Net Worth and Liquidity

- Net worth: Equal to the loan amount
- Liquidity: Equal to 9 months of principal and interest

Eligible Properties

Multifamily housing with five residential units or more, including:

- Properties with tax abatements
- Seniors housing with no resident services
- Properties with space for certain commercial (non-residential) uses
- Properties with tenant-based housing vouchers (section 8)
- Low-Income Housing tax Credit (LIHTC) properties with Land Use Restriction Agreements (LURAs) that are in either the final 24 months of the initial compliance period or the extended use period (investor must have exited)
- Properties with local rent subsidies for 10% or fewer units where the subsidy is not contingent on the owner's initial or ongoing certification of tenant eligibility
- Properties with certain regulatory agreements that impose income and/or rent restrictions, provided all related funds have been disbursed

Occupancy

Property must generally be stabilized at 90% physical occupancy for the trailing 3-month average prior to Underwriting or 85% for the trailing 3-month average prior to Underwriting under certain scenarios

Escrows

- Real estate tax escrow deferred for deals with an LTV ratio of 65% or less
- Insurance escrow deferred
- Replacement reserve escrow deferred

Rate Lock

60- to 180-day rate lock period available

Fixed-Rate / Hybrid ARM LTV Ratios and Amortizing DCRs

	Minimum Amortizing DCR**	Maximum LTV*
Top SBL Markets	1.20x*	80%
Standard SBL Markets	1.25x	80%
Small SBL Markets	1.30x	70%*
Very Small SBL Markets	1.40x	70%*

*Maximum 75% LTV for Acquisitions

**Minimum 1.25x Amortizing DCR for loans greater than \$6 Million, Top Markets

Freddie Mac Current Rates

Multifamily Loans. We get it done.

We provide the most reliable, fastest apartment building loan process in the industry with incredibly competitive rates. With 30 years of real estate lending as our core business, Omni Investor Funding brings expertise, knowledge and creativity to the loan process. We have continually expanded our capabilities to become a full service real estate lender.

Rates last Updated 04/30/2021



Ranked top Freddie Mac and Fannie Mae lender

Ranked #2 Small Balance Loan Lender for Freddie Mac

MULTIFAMILY

Freddie Mac-Conventional							
Term	Index	80%/1.25x		65%/1.35x		55%/1.55x	
		Spread	Rate	Spread	Rate	Spread	Rate
15-Year	10-Year Treasury	190 - 220	3.54% - 3.84%	165 - 195	3.29% - 3.59%	140 - 170	3.04% - 3.34%
12-Year	10-Year Treasury	190 - 220	3.54% - 3.84%	165 - 195	3.29% - 3.59%	140 - 170	3.04% - 3.34%
10-Year	10-Year Treasury	180 - 210	3.44% - 3.74%	155 - 185	3.19% - 3.49%	130 - 160	2.94% - 3.24%
7-Year	7-Year Treasury	190 - 220	3.23% - 3.53%	165 - 195	2.98% - 3.28%	140 - 170	2.73% - 3.03%
5-Year	5-Year Treasury	N/A - N/A	N/A - N/A	165 - 195	2.51% - 2.81%	140 - 170	2.26% - 2.56%
10YR Floater (1yr LO, 1%)	30-day SOFR Avg	265 - 295	2.66% - 2.96%	235 - 265	2.36% - 2.66%	215 - 245	2.16% - 2.46%
7YR Floater (1yr LO, 1%)	30-day SOFR Avg	260 - 290	2.61% - 2.91%	230 - 260	2.31% - 2.61%	205 - 235	2.06% - 2.36%

** Assumes loan amount of \$20MM

Fannie Mae-Conventional							
Term	Index	80%/1.25x		65%/1.35x		55%/1.55x	
		Spread	Rate	Spread	Rate	Spread	Rate
15-Year	10-Year Treasury	199 - 239	3.63%-4.03%	184 - 224	3.48%-3.88%	164 - 204	3.28%-3.68%
12-Year	10-Year Treasury	177 - 217	3.41%-3.81%	162 - 202	3.26%-3.66%	142 - 182	3.06%-3.46%
10-Year	10-Year Treasury	158 - 198	3.22%-3.62%	143 - 183	3.07%-3.47%	123 - 163	2.87%-3.27%
7-Year	7-Year Treasury	164 - 204	2.97%-3.37%	149 - 189	2.82%-3.22%	129 - 169	2.62%-3.02%
7/6 ARM	30-day SOFR Avg	265 - 295	2.66%-2.96%	240 - 270	2.41%-2.71%	210 - 240	2.11%-2.41%
7-Year SARM	30-day SOFR Avg	247 - 267	2.48%-2.68%	223 - 243	2.24%-2.44%	193 - 213	1.94%-2.14%
10-Year SARM	30-day SOFR Avg	248 - 268	2.49%-2.69%	224 - 244	2.25%-2.45%	194 - 214	1.95%-2.15%

** Minimum loan on Fannie SARMs is \$25MM but Fannie might allow a waiver down to \$15MM+ assuming borrower has prior SARM experience

Fannie Mae-Small							
Term	Index	80%/1.25x		65%/1.35x		55%/1.55x	
		Spread	Rate	Spread	Rate	Spread	Rate
15-Year	10-Year Treasury	291 - 331	4.55%-4.95%	241 - 281	4.05%-4.45%	221 - 261	3.85%-4.25%
12-Year	10-Year Treasury	270 - 310	4.34%-4.74%	220 - 260	3.84%-4.24%	200 - 240	3.64%-4.04%
10-Year	10-Year Treasury	252 - 292	4.16%-4.56%	202 - 242	3.66%-4.06%	182 - 222	3.46%-3.86%
7-Year	7-Year Treasury	262 - 302	3.95%-4.35%	212 - 252	3.45%-3.85%	192 - 232	3.25%-3.65%
7/6 ARM	30-day SOFR Avg	265 - 295	2.66%-2.96%	240 - 270	2.41%-2.71%	210 - 240	2.11%-2.41%

Freddie Mac-Small Balance								
Term	Hybrid (20YR Loans - Fixed for Initial Period)				Fixed			
	80%/1.20x	70%/1.30x	65%/1.40x	55%/1.50x	80%/1.20x	70%/1.30x	65%/1.40x	55%/1.50x
5-Year	3.01% - 3.11%	2.91% - 3.01%	2.81% - 2.91%	2.73% - 2.83%	3.06% - 3.11%	2.91% - 3.01%	2.81% - 2.91%	2.73% - 2.83%
7-Year	3.44% - 3.52%	3.34% - 3.42%	3.24% - 3.32%	3.16% - 3.24%	3.44% - 3.52%	3.34% - 3.42%	3.24% - 3.32%	3.16% - 3.24%
10-Year	3.68% - 3.78%	3.58% - 3.68%	3.48% - 3.58%	3.40% - 3.50%	3.73% - 3.78%	3.58% - 3.68%	3.48% - 3.58%	3.40% - 3.50%
Standard	80%/1.25x	70%/1.30x	65%/1.40x	55%/1.50x	80%/1.25x	70%/1.30x	65%/1.40x	55%/1.50x
5-Year	3.28% - 3.38%	3.18% - 3.28%	3.08% - 3.18%	3.00% - 3.10%	3.33% - 3.43%	3.18% - 3.28%	3.08% - 3.18%	3.00% - 3.10%
7-Year	3.49% - 3.57%	3.39% - 3.47%	3.29% - 3.37%	3.21% - 3.29%	3.49% - 3.57%	3.39% - 3.47%	3.29% - 3.37%	3.21% - 3.29%
10-Year	3.78% - 3.83%	3.68% - 3.73%	3.58% - 3.63%	3.50% - 3.55%	3.78% - 3.83%	3.68% - 3.73%	3.58% - 3.63%	3.50% - 3.55%
Small	75%/1.30x	65%/1.40x	60%/1.50x	50%/1.60x	75%/1.30x	65%/1.40x	60%/1.50x	50%/1.60x
5-Year	3.47% - 3.57%	3.37% - 3.47%	3.27% - 3.37%	3.19% - 3.29%	3.52% - 3.62%	3.37% - 3.47%	3.27% - 3.37%	3.19% - 3.29%
7-Year	3.61% - 3.68%	3.51% - 3.58%	3.41% - 3.48%	3.33% - 3.40%	3.61% - 3.68%	3.51% - 3.58%	3.41% - 3.48%	3.33% - 3.40%
10-Year	3.82% - 3.97%	3.72% - 3.87%	3.62% - 3.77%	3.54% - 3.69%	3.82% - 3.97%	3.72% - 3.87%	3.62% - 3.77%	3.54% - 3.69%

- Indicated pricing assumes a standard prepayment option.
- Indicated pricing reflects no interest only period. Interest only is available with various pricing adjustments.

Current Index Rates	
5-Year Treasury	0.86%
7-Year Treasury	1.33%
10-Year Treasury	1.64%
30-day SOFR Avg	0.01%
10-Year Swap	1.64%