



Freddie Mac Student Housing MortgageSM

The Freddie Mac Student Housing MortgageSM product offers financing for the acquisition or refinancing of purpose-built student housing. The product also serves traditional garden, mid-, or high-rise multifamily properties that are more than 50 percent occupied by students.

Key Benefits

- Flexible terms include both 30-year amortization and the potential for full-term interest-only.
- A nine-month lease is permitted under the Freddie Mac Student Housing Mortgage (12-month is preferred).
- Student housing properties located within close proximity to multiple schools that have a combined student body of 8,000 students or more are eligible for consideration.
- Properties located less than two miles from a college/university or on a public transportation route are eligible.
- Ground lease for college- or university-owned land may be permitted.
- Master leases with college/university may be permitted.

At-a-Glance

Loan Terms	5-, 7-, and 10-year terms with balloon	
Loan Amount	\$5 million-\$50 million	
Eligible Borrowers	Experienced owner/operator of student housing properties Partnership (general or limited); corporation; trust, joint venture, limited liability company or individual	
Financing Options	Acquisition or refinance	
Eligible Property Type	<ul style="list-style-type: none"> ▪ Purpose-built student housing properties¹ ▪ Stabilized garden, mid-rise and high-rise apartment properties that are greater than 50% occupied by student tenants ▪ Supporting college/university has 8,000 or more students; student housing properties located within close proximity to multiple schools that have a combined student body of 8,000 students or more will be considered ▪ Property is located less than two miles from college/university or on a public transportation route 	
Ground Lease	Ground lease for land owned by a college or university may be permitted with prior approval	
Lease Parameters	Individual tenant lease by the apartment, bedroom, or by the bed Rent under a master lease may be permitted with prior approval	
Lease Terms	12-month lease is preferred, although a shorter lease (no less than nine months) will be considered	
Lease Guaranty	Parental guaranty is preferred	
Maximum Loan-to-Value	<p>Acquisition</p> <p>Amortizing: 5 - < 7 yrs: 70% ≥ 7 – < 10 yrs: 75% 10+ yrs: 80%</p> <p>Full-term IO: < 7 yrs: 60% ≥ 7 yrs: 65%</p>	<p>Refinance & Supplemental</p> <p>Amortizing: 5 - < 7 yrs: 65% ≥ 7 – 10 yrs: 70% 10+ yrs: 75%</p> <p>Full-term IO: < 7 yrs: 60% ≥ 7 yrs: 65%</p>

Minimum Debt Coverage Ratio²	<u>Acquisition & No Cash-out Refinance</u>	<u>Cash-out Refinance & Supplemental</u>
	Amortizing: 5 - < 7 yrs: 1.35x ≥ 7 - ≥ 10 yrs: 1.30x Full-term IO: 1.60x	Amortizing: 5 - < 7 yrs: 1.40x ≥ 7 - ≥ 10 yrs: 1.35x Full-term IO: 1.60x
Recourse	Non-recourse except for standard carve-out provisions	
Supplemental Mortgages	Freddie Mac may place a supplemental mortgage on an existing Freddie Mac first mortgage	
Exclusions	Residence halls or other multiple occupancy rooms with a shared common bathroom and centralized food service areas or dining halls	

¹ Must have an identified bathroom for every two bedrooms. Each apartment made up of multiple dwelling units must have a separate full kitchen.

² For Student Housing adjustable-rate mortgages (ARMs), add 0.05x to the debt coverage ratio (DCR) listed on the Freddie Mac Adjustable-Rate Mortgage term sheet.