



Freddie Mac Supplemental Mortgage

DESCRIPTION

Deutsche Bank Berkshire Mortgage's supplemental mortgage program offers very competitive, assumable, long-term fixed and variable rates behind most existing Freddie Mac loans with a remaining term of 2 years or more. Exceptions may include some Negotiated Transactions. The first mortgage must have a minimum seasoning period of 12 months. Supplemental mortgages can be non-coterminous, coterminous, or split with the first mortgage (pricing varies for each option).

BENEFITS / FEATURES

- Reduced documentation at full application for most loans.
- Additional financing without the prepayment premium that a refinancing would trigger.
- Three types of supplemental mortgage options:
 - **Coterminous**—A supplemental mortgage on an existing Freddie Mac multifamily mortgage with a term that matures at the same time as the first mortgage
 - **Noncoterminous**—A supplemental mortgage on an existing Freddie Mac mortgage with a term that exceeds the remaining term of the first mortgage
 - **Split Mortgage**—A supplemental mortgage placed at the same time as a newly originated Freddie Mac first mortgage

LOAN STRUCTURE

LOAN AMOUNT	\$1 million (minimum). May not exceed 50% of the original amount of the first mortgage.
LOAN TO VALUE	Combined first and supplemental mortgage may not exceed 80% of Freddie Mac's underwriting value for term of 6 years or longer; 75% for term of 5 years; or 70% for term of 3-4 years.
DEBT SERVICE COVERAGE.....	1.30x (minimum) on a combined basis; 1.40x if remaining term of the first mortgage is 3 to 5 years; 1.25x for split mortgage.
LOAN TERMS	Term of supplemental mortgage may be coterminous with remaining term of the Freddie Mac first mortgage or may exceed the remaining term of the first mortgage by up to 24 months.
AMORTIZATION	Greater of 25 years of the remaining amortization of the 1 st mortgage.
RECOURSE	Requirements of first mortgage will apply to the supplemental mortgage.
RATES	Competitive rates priced daily. Call for quote.

OPTIONAL FEATURES

PREPAYMENT	<p><u>Coterminous & Split</u> - The yield maintenance period must equal the remaining yield maintenance period of first mortgage, 1% premium thereafter, open at par for last 90 days.</p> <p><u>Non-coterminous</u> -The yield maintenance period must equal the remaining yield maintenance period of first mortgage, 2% premium for the first 12 months, 1% thereafter, open at par for last 90 days.</p>
SUBORDINATE FINANCING.....	Requests are limited to once per year and are subject to Lender's approval.
ASSUMABILITY	Fully assumable with Lender's consent and upon payment of applicable fees.
EARLY RATE LOCK	Available for qualified transactions.