

Freddie Mac Student Housing Mortgage

Purpose

Offers financing for the acquisition or refinancing of purpose-built student housing or multifamily properties that are more than 50 percent occupied by students.

Borrowers who take advantage of the Student Housing Mortgage product through a Freddie Mac-approved lender enjoy the flexibility, stability, and experience that Freddie Mac has to offer. Our flexible terms include both 30-year amortization and the potential for full- or partial-interest-only. Since Freddie Mac is in the market every day and is committed to offering competitive, market-driven pricing, we can provide a stable source of capital.

Eligible Properties

- Purpose-built student housing properties must have an identified bathroom for every two bedrooms. Each apartment made up of multiple dwelling units must have a separate full kitchen. Residence halls or other multiple occupancy rooms with a shared common bathroom and centralized food service areas or dining halls are excluded.
- Stabilized garden, mid-rise, and high-rise apartment properties that are greater than 50 percent occupied by students.
- Supporting colleges or universities that preferably have 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.
- Properties located less than two miles from a college/university or on a public transportation route.

Eligible Borrowers

Experienced student housing owners.

Eligible Property Management

Experienced student housing property management.

Loan Amount

Minimum \$5 million; maximum \$50 million .

Financing Options

Acquisition or refinance.

Loan Term

Terms of 5, 7, and 10 years with balloon are available.

Ground Lease

Ground lease for land owned by a college or university may be permitted with prior approval.

Master Lease

Master lease by college or university may be permitted with prior approval.

Lease Parameters

Individual tenant lease by the apartment, bedroom, or by the bed are acceptable.

Lease Terms

12-month lease term preferred, although a shorter lease term (no less than nine months) will be considered.

Lease Guaranty

Parental guaranty preferred.

Maximum Amortization

30 years.

Interest-Only

Full- or partial-interest-only may be available subject to prior approval.

Maximum Loan-To-Value

80%

Minimum Debt Coverage Ratio

1.30x minimum, amortizing.

Replacement Reserves

These are required.

Tax And Insurance Escrows

These are required.

Prepayment Provisions

Prepayable in full, subject to applicable prepayment provisions.

Third-Party Reports

Appraisal, Environmental Report, and Engineering Report.

For more information, contact a KeyBank specialist today.

**Western Region Sales
Manager**

John Reible
602-778-4092

**Central Region Sales
Manager**

David Schmidt
214-540-9157

**East Region Sales
Manager**

Todd Goulet
617-385-6262

