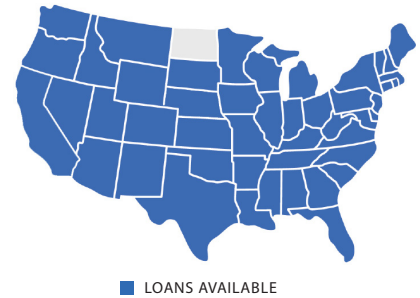


OVERVIEW

LOAN AMOUNT	Up to \$4,000,000
TERM	7 Year (5 fixed + 2 floating), 12 Year (10+2), or 17 Year (15+2)
INTEREST RATE	6.2% or higher during fixed rate period, see table below (if extended, rate becomes greater of the fixed rate and Prime +1%)
POINTS	1%
MAXIMUM LTV	80% for 17 Year portfolio, 75% otherwise
OTHER	Non-Recourse Available. Interest Only Available on 7 Year. Third-party costs and \$950 underwriting fee.



PRICE & SIZE

7 Year (fixed period pricing), add 0.30% to go to 12 Year

		MAX LTV						
		50%	55%	60%	62.5%	65%	70%	75%
Credit	740+	6.20%	6.35%	6.45%	6.55%	6.65%	6.80%	6.95%
	700-739	6.35%	6.50%	6.60%	6.70%	6.80%	6.95%	7.10%
	680-699	6.60%	6.75%	6.85%	6.95%	7.05%		
	660-679	7.05%	7.20%	7.30%				
	620-659	7.35%	7.50%					

Key: Interest Only Available (7 Year only), add 0.25%

Non-Recourse also Available, add 0.25%

17 YEAR

- 1.00x minimum PITIA
- Faster amortization (25 year)

**5+ Property Portfolio only

80% LTC / 75% LTV

85% LTC / 80% LTV

	740+	700-739	680-699
80% LTC / 75% LTV	7.00%	7.20%	7.40%
85% LTC / 80% LTV	7.00%**	7.20%**	7.40%**

REQUIREMENTS

MAXIMUM LTC	<u>7 Year & 12 Year:</u> no limit if owned 2+ years or major value add work, otherwise 85% of property cost +100% of financing costs <u>17 Year:</u> 85% (portfolio) or 80% of property cost + 100% of financing costs
MINIMUM COVERAGE	<u>17 Year:</u> 1.00x (Gross Rent/PITIA), note on 5+ unit properties Gross Rent is net market Management and Vacancy <u>7 Year & 12 Year:</u> 1.15x if over 65% LTV. 1.20x if at or below 65% LTV. These go to 1.25x and 1.30x if manager has under 3 years of experience. To close a loan with coverage under 1.20x, a guarantor tax return must show \$200,000+ of income (\$300,000+ if filed jointly)
FINANCIAL DOCS	Waived if non-recourse option selected and credit score above 660
RESERVE ACCOUNTS	None
LOAN AMOUNT	If >\$1,000,000 there may be a price increase and/or the maximum LTV may be reduced
PROPERTY	If in poor condition (C4 or higher), mixed-use, or the structure has over 4 units, case-by-case approval with potential for change in terms
SIZE MINIMUM	700 square feet if a house, 350 square feet for other types of rental units
VALUE MINIMUM	\$250,000 per house or condo; \$150,000 per unit if entire 2+ unit structure; if portfolio loan (5+ properties) drops to \$200,000 and \$125,000
LEASES	Market rate rentals at least MTM but not over 3 years, underwritten rent not to exceed 105% of market. If vacation rentals, 65% LTV limit unless guarantor(s) taxable income exceeds \$500,000.
SPONSORSHIP	If all guarantor(s) are foreign national(s) non-recourse option is mandatory
NET WORTH	If domestic net worth of guarantor(s) excluding primary residence(s) is below \$650,000, non-recourse option is mandatory

ADJUSTMENTS

The items below are viewed as "negatives" and may negatively impact the LTVs and prices shown in the table above or result in a decline:

POPULATION	In a 3-mile radius, there are fewer than 25,000 people and/or the population is expected to decline over the next 5 years
LIQUIDITY	Sponsorship has less than \$25,000 of liquidity
VALUATION ISSUE	According to the appraisal: the property is non-conforming, decreasing market values, and/or marketing time over 6 months
BACKGROUND	A bankruptcy; real estate tax or loan delinquency; bad reference; litigation with financial institution; fraud, misrep., or felony issue
CASH OUT	5% or more of the loan would be a cash-out (waived if no existing debt)