

ARM 7-6™ Program

Description	Non-recourse, assumable adjustable rate financing for the acquisition or refinance of most multifamily property types
Benefits	<ul style="list-style-type: none"> ■ Low-cost financing with initial interest rates lower than fixed rates ■ Maximum interest rate is set at loan origination ■ Ability to convert to fixed rate financing ■ Provides flexibility for various exit strategies while managing interest rate risk
Loan Amount	Minimum \$1,000,000
Loan Terms	7-year term
Amortization	Up to 30 years, based on property condition; Interest-only financing is available subject to meeting eligibility criteria
Loan to Value Maximum	Maximum 80% of appraised value, or if property has been purchased within the past 12 months, 80% of lower of: a) purchase price, plus value added renovation, plus 3% closing costs, or b) appraisal
Coverage Minimum	1.00x minimum at maximum lifetime cap interest rate
Index	One month LIBOR
Adjustment Period	One month, 15 day look-back
Prepayment Terms	One year lockout with 1% of unpaid principal balance thereafter; No prepayment penalty is due during the last 90 days of loan; Prepayment fee is waived if loan converts to fixed rate
Conversion Option	<p>Conversion option is available years 2-5; At the time of conversion, the loan can convert to either a 7- or 10-year fixed loan</p> <ul style="list-style-type: none"> ■ Conversion requires minimal re-underwriting; Lender determines that the current NOI can support the new fixed rate ■ There is no increase in the loan amount, however, the borrower may request a supplemental
Interest Accrual	Actual/360 accrual basis
Interest Rate	<p>Interest rate changes monthly and is equal to the Index plus a margin</p> <ul style="list-style-type: none"> ■ Maximum monthly interest rate adjustment of 1% up or down ■ Maximum lifetime interest rate ceiling established at rate lock
Borrower	Domestic single asset borrowing entity is required for DUS; Flexible for Small Loans (\$1 - \$3 million and up to \$5 million in certain markets)

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Greystone Servicing Corporation, Inc.
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Third Party Reports	MAI Appraisal, Physical Needs Assessment, and Environmental Phase I Assessment are required, plus Seismic Report may be required for properties in Seismic Zones 3 and 4
Supplemental Loans	Supplemental financing is allowed only if the mortgage has converted to a fixed rate, subject to meeting eligibility requirements
Application Fee	\$8,500 - \$15,000; covers 3rd party reports and underwriting costs
Origination Fee	Fannie Mae requires minimum origination fees predicated on loan amount
Legal Fees	DUS: +/- \$10,000 varying with characteristics of the deal; Small Loan: none
Timing	45-60 days from application to commitment; dependent on 3rd party report timing and borrower's submission of due diligence
Rate Lock	Typically, the spread over the relevant LIBOR Index is locked after commitment is issued; Early Rate Lock option is available, allowing rate lock within 3-4 weeks of application
