

Small Mortgage Loans

Description	Streamlined, long-term fixed rate financing for investment properties up to \$5 million.
Loan Amount	\$750,000 – \$5,000,000 in Baltimore, Boston, Chicago, Los Angeles, New York, Sacramento, San Francisco, San Jose, Seattle and Washington DC. \$750,000 – \$3,000,000 in all other eligible markets.
Loan Terms	Balloon loan terms of 5, 7, 10 or 15 years with amortizing terms up to 30 years, fully amortizing loans with terms up to 30 years, or hybrid ARM loan terms of 30 years with 7 or 10 years fixed.
Amortization	25 to 30 years, depending on the age of property and condition.
Prepayment Penalty	Fixed Rate: Yield maintenance formula with a 1% minimum. (Declining Percentage Fee is available upon request.) Adjustable Rate: 1% or Declining Percentage Schedule
Recourse	Non-recourse lending in some large markets. Recourse in certain markets, subject to the Lender's discretion.
Debt Service Coverage	1.25x minimum DSCR
Loan to Value	Up to 75-80% maximum LTV (or Purchase Price)
Subordinate Financing	Supplemental mortgages are available after the first 12 months of the loan term or loan assumption.
Occupancy	Properties must demonstrate a minimum occupancy of 90% for the 90 - day period prior to commitment.
Assumability	Non-Recourse loans are assumable with the Lender's consent and a 1% fee.
Taxes and Insurance Escrows	Not required for qualifying Borrowers.

Continued on Reverse

Small Mortgage Loans**Replacement
Reserve
Escrows**

Not required for qualifying Borrowers.

Rate Lock

Rate lock occurs after commitment is issued. The early rate lock option is also available for a fixed rate and hybrid transactions.

Fees

Due Diligence Fee: \$4,500 – \$8,500 non-refundable fee for 3rd party reports and processing. Fees due at application apply to fixed-rate loans and may vary by market. Fees may be made refundable at closing with a corresponding spread increase.

Rate Lock Deposit: Good Faith Deposit due upon acceptance of commitment and is refundable upon closing.

Timing

45–60 days from complete application to commitment.