

Product Highlights

- Financing for the acquisition or refinance of apartment buildings offering 30 year amortizations partial-term and full-term interest-only
- Streamlined processes for underwriting, closing and funding
- Streamlined loan documents depending on lender

Markets

Western United States

Loan Amount

- From \$2 Million Up to \$30 million in all western markets
- Note: Deals greater than \$ 2 million

Unit Limitations

- Loan amount per unit no max unit limitations
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Loan Purpose

Acquisition or Refinance and Cash Out Refinance

Loan Terms

30-year hybrid ARM with initial 5, 7, or 10-year fixed rate period
5, 7, or 10-year fixed rate loans

Amortization

Up to 30 years

Interest Only

Partial-term interest-only; full-term interest only may be available

Prepayments

Declining Prepayment schedules in most cases credit unions win zero prepayment penalties

Eligible Borrowers / Borrowing Entities

Up to \$30 million – Individuals who are US citizens; and foreign nationals, limited partnerships; limited liability companies; Single Asset Entities (SAE); Special Purpose Entities (SPE); tenancy-in-common (TIC) with up to five unrelated members; and Trusts (irrevocable trusts and revocable trusts with an individual guarantor) Call for Restrictions.

Bank and Credit Union Apartment Loans



Recourse

Mostly Full Recourse. Non-recourse by exception with standard carve-out provisions required

Net Worth and Liquidity

- Net worth: Equal to the loan amount
- Liquidity: Equal to 10 percent of the proposed loan amount

Eligible Properties

Multifamily housing with five residential units or more, including:

- Properties with tax abatements
- Seniors housing with no resident services
- Properties with space for certain commercial (non-residential) uses
- Properties with tenant-based housing vouchers (section 8)
- Low-Income Housing tax Credit (LIHTC) properties with Land Use Restriction Agreements (LURAs)
- Properties with local rent subsidies for 10% or fewer units where the subsidy is not contingent on the owner's initial or ongoing certification of tenant eligibility
- Properties with certain regulatory agreements that impose income and/or rent restrictions.

Occupancy

Property must generally be stabilized at 90% physical occupancy for the trailing 3-month average prior to Underwriting

Escrows

- Real estate tax escrow for deals with an LTV ratio of 65% or greater
- Insurance escrow required by deferred by exception
- Replacement reserve escrow deferred(none)

Rate Lock

60 rate lock period available

Fixed-Rate / Hybrid ARM LTV Ratios and Amortizing DCRs

	Minimum Amortizing DCR**	Maximum LTV*
Major Metro Purchase and Rate and Term	1.20x o 1.25x*	75%
Cash Out Major Metro- usually limited	1.25x	70%
Tertiary and Smaller Markets	1.25x	70% to 75%*
Cash Out Small SBL Markets	1.30x plus	65% to 75%*

*Maximum 75% LTV for Acquisitions

**Minimum 1.25x Amortizing DCR for loans greater than \$6 Million, Top Markets

Call for Current Interest rates

Prepayment Provisions

Fixed Rate

	5-Year	7-Year	10-Year
Typical Bank Penalty	54321	5544321	5544332211
Negotiated Bank Penalty	32111	3322111	333222111
Rarely Yield Maintenance	(YM or 1%)	(YM or 1%)	(YM or 1%)
Credit Union	None	None	None