

# Commercial Mortgage Rates as of December 17th, 2008

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\$250,00 to \$100+ million first mortgage loans...see programs below.
<b>Rate Buster Multifamily A&amp;B - \$500K to \$100M+ loan amounts to 80%LTV - Page 2-4</b>
Full-doc, Multifamily 5+ units, mixed use, and manufactured home parks, (min 50K population)
<b>Rate Buster Commercial A - \$750K to \$15M loan amounts to 75% - Page 5</b>
Full Doc, Full Recourse Programs available in all 50 States Retail, Office, Office Condo, Light, Industrial, Warehouse, Single Tennant, Strip Mall
<b>Rate Buster Commercial B - \$150K to \$5M loan amounts 65% LTV - Page 6</b>
Full Doc, Full Recourse Programs available in all 50 States All Commercial Roperty Types
<b>SBA 504 - \$250K TO \$5 million loan amounts to 90% - Page 7</b>
Full Doc, available in all States – 51% plus Owner Occupied Hotels, Motels, Auto Shops, Office Condos, Medical Office, Day Care, Restaurants and just about any Real Estate with a Businesses that is run by the borrower that occupies 51%+ of the subject building
<b>Bridge Loan - Hard Money - \$2M to 12M loan amounts to 70% LTV/LTC - Page 8</b>
Full Doc, available in all 50 States, Prime + 2.75%, I/O 12-36 months Office, Industrial, Multifamily, Retail, Self Storage, Assisted Living/Congregate, Manufactured Housing (Mobile Home Parks), Special Use (Almost anything except Outlet malls and land, especially if the sponsorship is financially strong)

## HUD & FHA Available Also!

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## Commercial Mortgage Rates as of December 17th, 2008

<b>Wall Street Rate Buster - Multifamily A (\$500K to \$100M) - 75% LTV</b>		
\$500K to \$10 million, 30 year amortizations, 1.20+ DSCR		
<b>3 year Hybrid</b>	PPP 3,1	6.54%
<b>5 year Hybrid</b>	PPP 5,3,1	6.69%
<b>7 year Hybrid</b>	PPP 5,4,3,2,1	6.99%
<b>Note:</b> This program requires borrower have 10% of loan amount liquid post closing and net worth must be larger than the loan amount for all programs above		
<b>Rate Buster Plus program does not lend in MI or OH</b>		

<b>Wall Street Rate Buster - Multifamily B (\$500K to \$100M)</b>				
Multifamily 5+, Mixed Use, & Mfg. Home Parks				
Max LTV 70% LTV for loan amts below \$750K				
<b>5 Yr. Fixed Balloon</b> <b>30 Year Amotization</b> Yield Maintenance PPP Lasts 4.5 Yrs.	<b>Min DSCR</b>	<b>Max LTV</b>	<b>Rates</b>	
			<b>&lt; \$3M</b>	<b>&gt; \$3M</b>
	1.20	80%	6.92%	6.66%
	1.35	65%	6.78%	6.52%
	1.55	55%	6.62%	6.36%
<b>7 Yr. Fixed Balloon</b> <b>30 Year Amotization</b> Yield Maintenance PPP Lasts 6.5 Yrs.	<b>Min DSCR</b>	<b>Max LTV</b>	<b>Rates</b>	
			<b>&lt; \$3M</b>	<b>&gt; \$3M</b>
	1.20	80%	6.87%	6.73%
	1.35	65%	6.73%	6.59%
	1.55	55%	6.57%	6.43%
<b>10 Yr. Fixed Balloon</b> <b>30 Year Amotization</b> Yield Maintenance PPP Lasts 9.5 Yrs.	<b>Min DSCR</b>	<b>Max LTV</b>	<b>Rates</b>	
			<b>&lt; \$3M</b>	<b>&gt; \$3M</b>
	1.20	80%	6.77%	6.73%
	1.35	65%	6.63%	6.59%
	1.55	55%	6.47%	6.43%
<b>30 Yr. Fixed Balloon</b> <b>30 Year Amotization</b> Yield Maintenance PPP Lasts 15 Yrs.	<b>Min DSCR</b>	<b>Max LTV</b>	<b>Rates</b>	
			<b>&lt; \$3M</b>	<b>&gt; \$3M</b>
	1.20	80%	7.41%	7.37%
	1.35	65%	Call	7.23%
	1.55	55%	Call	7.07%

## Wall Street Rate Buster - Multifamily A&B (\$500K to \$100M)

### Underwriting Highlights

**Origination** 0.50% to 1.00%

**LTV:** 75% for Purchase or Refinance (cash out w/ 24 months seasoning)

**Key Principals:** Individuals with 20% or more ownership of the project are considered "key principals"

**Credit:** Middle Credit Score 680+ **(621+ if large net worth and high liquidity)**

**Interest Only:** add 5 bps to rare for first two years then fully amortizing (10yr Only)

**Occupancy:** Minimum 90%+ for a minimum of 90 days

**Borrower Net Worth:** Must be = or > than the loan amount

**Borrower Liquidity:** Minimum money down, closing costs and 6 months principle & interest

**Third Party Reports:** Lender orders all third party reports

**Loan Amounts:** \$500,000 to \$100,000,000 - for larger amounts call

**Rate Lock:** Available after underwriting approval. 1% for 30 days. Refunded at closing

**Assumability:** Underwriting approval required, and the payment of 1% fee plus processing costs

**Debt Service Coverage Ratio (DSCR):** 1.20+ to 1

**Recourse & Non Recourse:** Recourse is standard. Non recourse in select markets w/ carve outs

**Acceptable Markets:** Minimum 10,000+ population

**Non-Profit Entities:** Allowed

**Mixed Use:** No more than 20% of income allowed from commercial component

**Hybrid Loans:** Pricing is 265bps over 6 Month LIBOR or 12 MTA during adj. period

**Bankruptcies or Foreclosures:** Not Allowed

**Qualification Rate for ARM Product:** Add life time cap of 3.00% to today's rate

**Out of State Borrower:** Must be seasoned investor in the area the new property is being purchased if purchasing out of State property. Or, max LTV 65% with a 1.35 min DSCR on the property along with a seasoned management company.

**Manufactured Home Parks:** \$1M min loan, 50+ pads, 50%+ Double, 2-car parking (all), skirted & paved roads, Rolled curbs and mxa 10% park owned

**Rate Lock:** Rate locks are typically locked 10-15 days prior to loan closing. If the loan is \$3MM or less, the borrower can deposit a 1% rate lock fee that is refundable at closing. If the loan is over \$3MM the rate lock fee is 2%, of which 75% is refunded at closing and the remaining 25% is refunded within 45 days after closing. We also have the ability to "early rate lock" loans. That process typically takes two weeks, which is driven by the appraiser giving us an indication of the value of the property. Early rate lock adds 3 bps to the rate, adds 1% rate lock fee to the above scenarios, and requires the borrower to provide the information needed for underwriting in a very timely manner.

### Definition of Yield Maintenance Pre-Payment Penalty

Yield Maintenance is a method of calculating pre-payment options. It is calculated by determining the difference in interest between the note rate and the rate at time of payoff. If the current market rate is greater than the note rate the pre-payment penalty is 1% of the outstanding loan amount. For example; if the current market rate is lower, you take the note rate less the current market rate times the remaining fixed term of the loan. Multiply that number times the remaining loan amount and you have arrived at the yield maintenance pre-payment penalty.

For example; a million dollar 10 year loan closes at 7% with 7 years remaining would have a pre-payment penalty of \$140,000 if the current market rate is 5%.  $(7\% - 5\%) \times \text{years} \times \$1 \text{ million}$ .

The only way the borrower can get out of the pre-payment penalty is if a new buyer will assume his existing loan and then there is a fee of 1% paid to the servicer of the loan plus costs to do the loan. New buyer must also be credit worthy. Then the owner does not have to pay any pre-payment penalty.

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## Commercial Mortgage Rates as of December 17th, 2008

<b>Rate Buster Commercial A (\$750K to \$15M)</b>		
Loan term Balloon	Step Down Prepayment Penalty %	Rate
2 Year	3, 1	N/A
3 Year	5, 3, 1	6.54%
5 Year	5, 4, 3, 2, 1	6.69%
7 Year	7, 6, 5, 4, 3, 2, 1	6.99%
10 Year	10, 9, 8, 7, 6, 5, 4, 3, 2, 1	7.16%

After fixed period the rate will adjust quarterly at spread of 3.00% over 3 month LIBOR  
 Index - **Borrower must have 10% of the loan amount liquid pre close**

<b>Rate Buster Commercial A (\$750K to \$15M)</b>
<b>Underwriting Highlights</b>
<p>\$750K million to \$15 million and higher on case by case</p> <p><b>Origination:</b> 0.50% to 1.00%</p> <p>Owner occupied \$3 million to \$10 million and higher on case by case</p> <p>Office, Office Condo, Medical Office, Retail, Strip Malls Anchored and Unanchored, Single Tenant NNN, Light Industrial, Industrial and Flex</p> <p><b>Amortization</b> - 3,5,7 = 30 years &amp; 2,10 = 25 years</p> <p><b>Retail</b> - 75%-80% LTV - 1.30+ Minimum - 90% Occupancy</p> <p><b>Office</b> - 75%-80% LTV - 1.25+ Minimum - 90% Occupancy</p> <p><b>Light Industrial / Warehouse</b> - To 80% LTV - 1.20 Minimum - 90% Occupancy</p> <p><b>Self-Storage</b> - To 75% LTV - 1.35 Minimum - 75% Occupancy</p> <p><b>Credit:</b> Middle Credit Score 680 + Newtworth &gt; Loan amount</p> <p><b>Borrower Liquidity:</b> Minimum money down, closing costs and 6 months principle &amp; interest</p> <p><b>Third Party Reports:</b> Lender orders all third party reports</p> <p><b>Loan Amounts:</b> \$750,000 to \$15,000,000</p> <p><b>Rate Lock:</b> 60 day lock upon issuance &amp; acceptance of term sheet w/ \$500 non-refundable lock fee</p> <p><b>Acceptable Markets:</b> Minimum 10,000+ population</p> <p><b>Recourse &amp; Non Recourse:</b> Full recourse guarantees only</p>

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## Commercial Mortgage Rates as of December 17th, 2008

Rate Buster Commercial B (\$150K to \$5M)	
Program	Rate
Prime Quarterly Fixed	4.50%
1 Year LIBOR annual	5.42%
5 year Fixed / Recast	5.88%

Rate Buster Commercial B (\$150K to \$5M)		
Tier	Step Down Prepayment Penalty %	Add to Rate
Tier I	\$150K to \$4 million 65% LTV Industrial, Office Buildings, Office Condo, Single Tenant, Medical Office, Strip Mall, Retail anchored and unanchored <b>(case by case &amp; for unanchored add 0.50% to rate)</b>	0.00%
Tier II	Auto Tire and Brake Centers, Restaurants, Bed and Breakfast, Funeral Homes, Day Care, Auto Service, Assisted Living Care, Auto Dealership, Grocery Store, Self Storage, Hotels/Motels	0.50%
Tier III	\$250K to \$4 million 50% LTV Car Washes, Bowling Alleys, Ice Rinks, Movie Theaters, Aircraft Hangers	0.75%
Tier IV	\$250K to \$4 million 50% LTV Golf Courses and Country Clubs	0.75%

Rate Buster Commercial B (\$150K to \$5M)		
Pre-Payment Penalty Options	Prime (add to rate)	5 Year (add to rate)
Declining 5,4,3,2,1	0.50%	0.50%
Flat 5% for first 5 years	0.25%	0.50%
Declining 7,6,5,4,3,2,1	0.25%	0.50%
Flat 7% for 7 years	included	0.50%
Declining 10,9,8,7,6,5,4,3,2,1	included	0.25%
Flat 10% for first 10 years	included	included

Rate Buster Commercial B (\$150K to \$5M)
Underwriting Highlights
<p>Industrial bldgs - No older or larger buildings (built prior to 1950 and &gt; 50,000 sq ft)</p> <p><b>Origination:</b> 0.50% to 1.00%</p> <p><b>Minimum DSCR:</b> 1.25+</p> <p><b>Term/Amortization:</b> 20 or 25 Years</p> <p><b>LTV:</b> 75% Purchase and rate/term refinance - 70% Cash out</p> <p><b>Minimum Credit Score:</b> 650</p> <p><b>No Cash Out:</b> unless funds are going back into bldg improvements</p> <p>Borrower may make additional principal reductions without penalty up to 20% of the original note balance annually</p> <p><b>Fixed/Recast</b> – At end of fixed period borrower can recast into a new 5 yr fixed period as long as the numbers are equal to when they first applied and credit score hasn't changed.</p> <p><b>Rate locks</b> beyond 30 days are available up to 60 days with a deposit of \$3,500 or .75% of the permanent loan amt</p>

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# Commercial Mortgage Rates as of December 17th, 2008

SBA 504 - \$250,000 TO \$6 million - 51%+ Owner Occupied			
<b>Purchase, Refinance, Remodel, or Build</b>			
Hotels, Motels, Auto Shops, Office Condos, Medical Office, Day Care, Restaurants (max \$2 million) Just about any Real Estate with a Business that is run by the borrower that occupies 51%+ of building. Purchase, Refinance, Construction, or Cash Out programs Conventional and Fixed Rate loans available to 90% LTV depending on property type. 25/25 Term/Amortization			
Rates:			
First Mortgage up to 50% LTV		Second Mortgage up to 40%LTV	
Prime Quarterly Fixed	5.00%	20 Year Fixed	7.68%
1-yr LIBOR Annual	5.92%	10 Year Fixed	7.62%
5 Year Fixed/Recast	6.38%		
Pre-Payment Penalty			
Declining 5,4,3,2,1	0.50%		0.50%
Flat 5% for first 5 years	0.25%		0.50%
Declining 7,6,5,4,3,2,1	0.25%		0.50%
Flat 7% for 7 years	included		0.50%
Declining 10,9,8,7,6,5,4,3,2,1	included		0.25%
Flat 10% for first 10 years	included		included
SBA Fee (Can be rolled into the loan)			
All fees can be rolled into the loan. SBA fee 3.5% for their piece but again can be rolled into loan. SBA Fee = 0.50% - Servicing Fee 0.625% - CDC fee 0.10%			
Recent Transactions			
<b>BEST WESTERN, CA</b> SBA Loan \$4,580,000 85% LTV New Construction 72 units		<b>DAYS INN, TX</b> SBA Loan \$2,431,000 85% LTV Purchase 54 units (6 month old property)	
<b>INDEPENDENT MOTEL, SC</b> SBA Loan \$1,875,000 85% LTV Purchase 57 units		<b>COMFORT INN &amp; SUITES, CA</b> Conventional Loan \$3,315,000 65% Cash out/refinance 72 units	
<b>Pharmacy (no Real Estate)</b> Business Acquisition \$808,000 10 years		<b>Day Care (no Real Estate)</b> Business Acquisition \$533,000 10 years	
<b>Dentist (Start-up, Real Estate &amp; Business)</b> SBA Loan \$1,267,000 22 years 144% LTV		<b>Doctor Office (no Real Estate)</b> Business Acquisition \$350,000 80% LTV purchase	
<b>Trucking Business</b> Business Acquisition \$4,814,000 25 Years - 6.9% fixed - 94% LTV		<b>Retail Convenience Store (no RE)</b> Business Acquisition \$731,000 10 years	

**Term Sheet Requirements:** Executive Summary, 3 years borrowers business and personal tax returns, las 3 years of business being bought (if applicable), current operating statement, personal financial statement (borrower) and pictures of the property.

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### Bridge Loan - Hard Money \$2.0M to \$15M

If you have a property under contract with escrow funds at risk, or other financing that has fallen through at the last moment, we can step in with a short-term bridge loan to help you complete your transaction. This financing opens up options, giving time to turn the property at a profit, roll over to our permanent financing, stabilize or implement an alternate strategy.

**Property Types:** Office, Industrial, Multifamily, Retail, Self Storage, Assisted Living/Congregate, Manufactured Housing (Mobile Home Parks), Special Use (Almost anything except outlet malls and land, especially if the sponsorship is financially strong).

**Maturity:** Exit Strategy Mandatory - 12 to 36 months

**Markets:** Nationwide with minimum city population of 50K+

**Loan Size:** Minimum \$2 million to Maximum \$12 million

**Pricing:** Prime Plus 2.75% and 2.0 points w/ a floor of 7.50%

**Origination** 1% to 3%

**Broker Fee** Broker adds fee to the above point or points we charge and we pay Broker after closing Max 2%

**LTV/LTC Max:** 70%

**Exit:** Must underwrite to current conventional refinance guidelines at inception or at exit

**Close Time:** 30-45 Days

**Borrower Liquidity** Borrower must have 10% liquidity of the loan amount request. Cash or marketable securities. We can count IRAs and 401k's at about 65% of their face value

#### Email

**Preliminary Info:**

1. Executive Summary of Project (Short Story)
2. Borrower Resume
3. Borrower Financial Statement
4. Address of Property and Pictures
5. Source use of funds (if applicable)
6. Rent Roll if Applicable
7. Appraisal and or Feasibility Study if Available
8. Color Photos (mandatory)
7. Appraisal if Available