

## Multifamily Loans

### Fannie Mae DUS® Small Loans & Freddie Mac SBL

<i>Fannie Small Loans:</i>	\$1,000,000 - \$6,000,000
<i>Freddie SBL Loans:</i>	\$1,000,000 - \$7,500,000
<i>Loan Term:</i>	5, 7, 10, 12, 15, 20 and 30-year Fixed & Hybrid ARM Terms available
<i>Amortization:</i>	Up to 30 years. Interest-only options available
<i>Interest Only:</i>	Available; based on Leverage, Term and DSCR
<i>Minimum DSCR:</i>	1.20x in Top Markets; 1.25x in Standard Markets 1.30x in Small Markets; 1.40x in Very Small Markets
<i>Maximum LTC/LTV:</i>	80% acquisitions and 75-80% refinances in Top / Standard Markets 75% acquisitions and 70% refinances in Small / Very Small Markets
<i>Rate Structure:</i>	Fixed and adjustable rate options available based on prevailing market index
<i>Recourse:</i>	Non-recourse
<i>Occupancy Requirement:</i>	90% physical occupancy for 90 days
<i>Prepayment:</i>	Yield Maintenance & Step-down options available
<i>Eligible Property: Eligible</i>	Multifamily, 5 or more units. Portfolios are eligible
<i>Borrowers:</i>	Single Asset Entity
<i>Tax &amp; Insurance</i>	Monthly deposits required. May be waived if certain criteria are met
<i>Escrows: Replacement</i>	Underwritten at a minimum \$250 per unit per annum
<i>Reserves: Commercial</i>	Maximum 40% of property S/F net rentable area and 40% of effective gross income
<i>Space: Application:</i>	\$10,000 - \$12,500. Covers all 3 <sup>rd</sup> party reports, underwriting and processing costs
<i>Legal/Closing Fee:</i>	Arbor's Counsel Fee to be determined at application
<i>Origination:</i>	1% of loan amount
<i>Good Faith Deposit:</i>	1% of loan amount due at Rate Lock; refunded at closing

## **Multifamily Loans**

Freddie Mac Conventional & Green Financing

Fannie Mae DUS® Conventional & Green Financing

<i>Loan Amount:</i>	\$3,000,000 – no max
<i>Loan Term:</i>	5, 7, 10, 12, 15, 20 and 30-year Fixed & Hybrid ARM Terms available
<i>Amortization:</i>	Up to 30 years. Interest-only options available
<i>Interest Only:</i>	Available; based on Leverage, Term and DSCR
<i>Minimum DSCR:</i>	1.25x
<i>Maximum LTV:</i>	80% acquisitions, 75% refinances
<i>Rate Structure:</i>	Fixed and adjustable rate options available based on prevailing market index
<i>Recourse:</i>	Non-recourse
<i>Occupancy Requirement:</i>	85% physical occupancy for 90 days
<i>Eligible Property:</i>	Multifamily, minimum 5 or more units. Portfolios are eligible
<i>Prepayment:</i>	Yield Maintenance and Step-down options available
<i>Eligible Borrowers:</i>	Single Asset Entity
<i>Tax &amp; Insurance Escrows:</i>	Monthly deposits required. May be waived if certain criteria are met
<i>Replacement Reserves:</i>	Underwritten at a minimum \$250 per unit per annum
<i>Required Reports:</i>	Appraisal, Property Condition Assessment and Phase I
<i>Commercial Space:</i>	Maximum 40% of property S/F net rentable area and 40% of effective gross income
<i>Application:</i>	\$20,500. Covers all 3 <sup>rd</sup> party reports, underwriting and processing costs
<i>Legal/Closing Fee:</i>	Arbor's Counsel Fee to be determined at application
<i>Origination:</i>	1% of loan amount. Can be reduced with adjusted pricing
<i>Good Faith Deposit:</i>	2% of loan amount due at Rate Lock; refunded at closing

**Typical Materials for Loan Application:**

- Rent Roll
- Trailing 12 monthly P&L Historical Breakdown
- If Acquisition:
  - Expected Purchase Price
  - Pro-forma Budget
  - Purchase & Sale agreement if under contract
- If Refinance:
  - Date of purchase
  - Cost Basis (purchase price + capex renovations)
  - Existing Debt, Lender, Prepayment
- Sponsor PFS & REO schedule outlining Net Worth, Liquidity, Track Record
- Property Management - Self-managed or 3<sup>rd</sup> party professional mgmt.
- Requested Loan Terms

**Multifamily Requirements:**

- Sponsor multifamily track record
- Small Loans: Stabilized 90% Occupancy
- Conventional & Green Loans: Stabilized 85% Occupancy
- Sponsor Net Worth greater than loan amount | Liquidity for 12 months P&I payments
- Bridge Loan Minimum: \$5,000,000 (exit fee's waived to perm)