

All loans for the above deal type must meet the requirements set forth below. Please refer to the control documentation for guidance if an exception needs to be made.

Economic Terms

Loan Term	5 - 7 Years
Rate Type	Fixed or Floating is allowed
Interest Rate Floor	If Floating Rates are used, a floor of no more than 0% is acceptable
Hedging Requirements	If a floating rate loan is used, at least 50% of the loan amount must be swapped. Caps may be used, but are discouraged. If a cap is used, it must be for a term less than or equal to 3 years, and the cost of the extension must be escrowed.
Loan Amount	<u>LTV Constraints</u> <ul style="list-style-type: none">- Must comply with Portfolio Capitalization Rate requirements, not to exceed 65% LTV- If 7 Year loan is used, max LTV allowed is 62% <u>DSCR Constraints</u> <ul style="list-style-type: none">- Must comply with Portfolio DSC requirements, not less than 1.50x- If floating rate is used, then a 1.65x DSCR is required, which can be reduced to 1.50x pari passu with the amount of the loan hedged in excess of 50%
Amortization	<ul style="list-style-type: none">- Loan may amortize over a period of not less than 30 years- An IO period of at least 12 months must be provided
Prepayment Penalties	<u>Fixed Rate Loans</u> <ul style="list-style-type: none">- Make Whole style penalties are acceptable- 3 Months Par Prepayment, penalty paid to start of Par period- Replacement rate of 50 bps spread over Treasuries <u>Floating Rate Loans</u> <ul style="list-style-type: none">- 1% Penalty allowed- 6 Months Par Prepayment
Seniority	Only Senior Secured debt may be used for Stabilized Multifamily deals.

Loan Governance

Escrow Accounts

Standard Repair and Replace Escrows are acceptable

Lender Compliance

- Financial Statements can be delivered Quarterly
- Financial Covenant Testing can be done no less than Annually
- Guarantor financial delivered annually

Events of Default

EOD cures can include:

- Interest Reserves
- Loan Balance Paydown
- 90 days to cure

Other Terms

Guarantys

- Payment & Completion Guarantys are ok
- Recourse limited to 100% of the outstanding loan balance and accrued interest
- Guarantors must be individually liable for their pro rata share, not collectively