

Construction to Perm Guidelines

12/2/08

Product Type	Flex 200		OwnerOcc 100	
	Owner Occupied		Owner Occupied	
	Multi-Use		Multi-Use	
	Full Doc		Full Doc	
Maximum 1st Mortgage Loan Amount	\$5MM		\$2.5MM	
Minimum Loan Amount	\$250M		\$250M	
Maximum LTV (1st Lien)	Purchase	Conv 75%	90% (must be combined w/ SBA504)	
	Rate/Term	N/A		
	Cash-Out	N/A		
Maximum CLTV	N/A		90%	
Cashflow (also see Outside Income note)	Core		Core calculation Core and Global for Investor Hybrid	
Minimum DSCR	Projected CF Conv 1.20x Projected CF		1.20x	
Min DSCR from Subject	N/A			
Minimum Personal Credit	650 XPN no BK in last 8 yrs		SBA 504: 625 FICO with explanation OK (No Business BK last 8 yrs) Conventional: 680 FICO - No Business BK last 8 years	
Minimum Personal Credit (low-FICO)	650 XPN		N/A	
Minimum Equity Injection	25% Conv		10%	
Maximum Amortization / Term	Interest-only / 1 yr		25 years	
Competitive Advantage	Single close avail.		SBA 504 pricing and guidelines	
Acceptable Markets	MSA or County >50,000		MSA or County >50,000	
Preferred Characteristics	Good business trends		Good condition and good business trends. Liquidity > 10% of loan amount	
Avoid	Rural or Agricultural Special Use Properties		> 200,000 sf Deferred Maintenance Consolidating revolving or short-term debt	
Non-Eligible Properties	Ground Leases Gas Stations		Ground Leases Start-ups	
Cash-Out	N/A		N/A	
Management Experience	Prior Management and Ownership Preferred		Prior Management and Ownership Preferred	
Reasonable Cap Rate	N/A		N/A	
Outside Income	N/A		100% of any Working Capital Needs (= Income less Operating Expenses, Owner Draw & Total Debt Service)	
Collateral (1st Position)	Real Property add'l collateral may be req'd		Real Property	
Appraisal	Complete Summary Self-Contained if loan > \$4MM		Complete Summary (CTO = Construction Take-Out)	
Other Third Party Reports	Phase 1 Survey (if required by title)		Phase 1 Survey (if required by title)	
Seasoning	N/A		None Required (subject to minimum equity injection)	
Rate Lock Option at Commitment	N/A		N/A	
Assumption	N/A		One-Time Assumption WAC (very selective)	
Escrows, Impounds or Reserves	Interest Reserve required.		Not Typically Required subject to credit and property review	