



## SMALL BALANCE COMMERCIAL LOANS

Many of the businesses that we work with have found that traditional banks will not underwrite small balance loans or loans to support building purchase, renovations, debt consolidation or some other commercial mortgage application. Many self-employed building owners find that banks just don't understand them.

Does your deal fit?

- Loans range from \$25,000 to \$1 million (minimum property value of \$75,000)
- Credit rating from A0 through A5 (see Credit Grade below)
- Property types financed include apartment buildings, mixed use, retail buildings, office buildings, warehouses, auto repair shops, day care businesses, hotels, motels, office buildings (See Property Types below)

We do not lend in Alabama, Alaska, Hawaii, Michigan, Nevada, North Dakota, Vermont and West Virginia.

**INCOME PRODUCING REAL ESTATE  
INCOME QUALIFYING BUSINESS LOAN**

**LOAN AMOUNT** Minimum: \$125,000  
Maximum: \$1,000,000

**Loan Terms** Fixed-rate terms of 1, 3 or 5 years with 15 year maturity  
30 Years with balloon at 15 year maturity

**Maximum Amortization** 1-Year 6.5% fixed    3 Year 6.75% fixed    5-Year 7% fixed

**Floor Rate = initial start rate**

Adjustable Rate is indexed at WSJ Prime with a 2% margin  
Lifetime Cap = 6% above Floor Rate  
Periodic Cap Up = 3% per year  
Periodic Cap Down = 1% per year  
Frequency of adjustable rate resets = 3 Months

**RATES**

		<u>5 Years (5,4,3,2,1)</u>
		5% Months 1-12
	<u>3 Years (3,2,1)</u>	4% Months 13-24
	3% Months 1-12	3% Months 25-36
<u>1 Year (5,3)</u>	2% Months 13-24	2% Months 37-48
5% Months 1-12	1% Months 25-36	1% Months 49-60
3% Months 13-24		

**PREPAYMENT PENALTY**

**ELIGIBLE PROPERTY TYPES**

Multifamily: non-owner occupied only  
Mixed use  
Professional office space  
Retail store- Strip/free standing

**LTV**

65  
60  
60  
60

**DSCR**

1.25  
1.3  
1.3  
1.35

**PERSONAL GUARANTEES**

Personal guarantees are required on all loans

**MAXIMUM COMBINED LOAN-TO-VALUE**

(See attached grid for maximum CLTV by individual property types)

See Program Matrix for LTV by property type

**Origination fee: 1%**

Environmental fee: \$315- \$1,225

Doc prep fee: \$500- \$1,250

Appraisal: Paid directly to appraiser

Tax service fees: \$205/parcel

Flood certification: \$95/property

First liens only

Owner-occupied

Non owner-occupied

Maximum cash to borrower is \$150,000

All properties subject to debt service coverage ratio minimums.

See Program grid for DSCR by property type.

For DSCR purposes, rent for owner-occupied units will be determined by current market rents.

DSCR on business income will also be a method for determining eligibility.

By exception, personal DTI ratios may also be considered.

**LENDER FEES  
LIEN POSITION**

**OCCUPANCY  
CASH OUT REFINANCES**

**MINIMUM DEBT COVERAGE  
RATIO**

**CREDIT QUALITY  
Mortgage**

All mortgages must be current.

**CREDIT QUALITY**  
**Consumer Credit**

All accounts must be paid "As Agreed". Minimum FICO score 700.  
All APEX credit scores must be in the 700's. No current delinquencies.

**CHARGE OFFS/COLLECTIONS**  
**BANKRUPTCIES**

Charge offs are not allowed in the prior twenty-four (24) month period.

Bankruptcies are not allowed in the prior five (5) year period.

Churches  
Daycares  
Gas stations  
Salvage yards  
Farmland  
Vacant lots  
Manufacturing  
Condo hotels  
Cooperatives  
Manufactured housing  
Restaurant/Bars  
Motel/Hotel  
Mobile Home Park  
Office/warehouse (case-by-case basis)  
Industrial properties

**INELIGIBLE PROPERTY TYPES**  
**APPRAISALS**

Rural properties in areas under 25% built up

Any property with a vacancy rate over 15%

An APEX obtained appraisal is required on all properties

**ENVIRONMENTAL**

All loans must have an environmental questionnaire completed. All loans will require environmental due diligence.

Credit documentation cannot be more than 90 days old.

**AGE OF DOCUMENTATION**

Appraisals must be less than 60 days old at time of closing.