

## PRODUCT HIGHLIGHTS- NATIONWIDE PROGRAM

- Highly competitive rates with maximum proceeds (no underwriting floor)
- Low cost structure (\$4,500 for Top Markets and \$8,500 for Standard, Small and Very Small Markets)
- Flexible prepayment options
- Non-recourse
- Assumable
- Cash out available
- Full Term IO available at 1.40x DSCR/65% LTV

## General Product Features

- Hybrid ARM product fixed for first 5, 7, or 10 years and then floating over 6 month LIBOR for remaining term
- Gross margin of 275 bps after fixed rate period
- Lifetime cap set at 500 bps over start rate
- Lifetime floor set at fixed start rate
- Maximum 1% periodic rate adjustment (up or down)
- Actual/360 interest payments

## HYBRID ARM -20 YEAR TERM

Terms	Type	Available IO Term	Prepayment Premium**	Amortization	Fixed Period	ARM Period
5+15	Hybrid ARM	1 Year	5,4,3,2,1 1% Years 6-20*	30 Years	5 Years	15 Years
7+13	Hybrid ARM	2 Years	5,5,4,4,3,2,1 1% Years 8-20*	30 Years	7 Years	13 Years
10+10	Hybrid ARM	3 Years	5,5,4,4,3,3,2,2,1,1 1% Years 11-20*	30 Years	10 Years	10 Years

\* 1% prepayment premium during floating period waived if refinanced with Freddie Mac or if property is sold.

\*\* Various prepayment options are available. All prepayment options open to prepayment without penalty 3 months prior to maturity

## FIXED RATE

Terms	Type	Available IO Term	Prepayment Premium*	Amortization	Fixed Period
5	Fixed	1 Year	5,4,3,2,1	30 Years	5 Years
7	Fixed	2 Years	5,5,4,4,3,2,1	30 Years	7 Years
10	Fixed	3 Years	5,5,4,4,3,3,2,2,1,1	30 Years	10 Years

\* Various prepayment options are available. All prepayment options open to prepayment without penalty 3 months prior to maturity.

## Program and Credit Features

LOAN AMOUNTS:	\$1 - \$5 million
LOAN PURPOSE:	Acquisition or Refinance (Cash Out Available)
AMORTIZATION:	Maximum 30 years
ELIGIBLE PROPERTIES:	Conventional multifamily housing with a minimum of 5 residential units
DEBT SERVICE COVERAGE:	1.20x minimum DSCR in Top Markets. 1.25x minimum DSCR for Standard Markets. 1.30x minimum DSCR in Small Markets and 1.40x minimum DSCR in Very Small Markets.
MAXIMUM LOAN TO VALUE (LTV):	80% in Top and Standard Markets. 75% for Acquisitions in Small and Very Small Markets. 70% for Refinances in Small and Very Small Markets.
RECOURSE:	Non-recourse with standard carve-out provisions required

SPONSOR FINANCIAL REQUIREMENTS:	Net worth equal to the loan amount and liquidity equal to 9 months of P&I prior to closing
TAX AND INSURANCE ESCROWS:	Real estate tax escrow deferred for deals with 65% LTV or less Insurance escrow deferred.
FICO:	Minimum 650 average score
OCCUPANCY REQUIREMENT:	Minimum 85% occupancy of residential units for 90 days required at closing of the mortgage.
TYPICAL APPLICATION FEES:	\$4,500 For Top markets and \$8,500 for Standard, Small and Very Small markets
REPLACEMENT RESERVE ESCROWS:	Typically Not Required
RATE LOCK DEPOSIT:	1%
TOP MARKETS*: *Please contact originator for full list by County	New York, Boston, Washington DC, Chicago, Los Angeles, San Diego, Orange County, San Francisco, San Jose, Oakland, Minneapolis, Portland, Seattle, Miami and Denver.
STANDARD MARKETS*: *Please contact originator for full list by County	Baltimore, Sacramento, Salt Lake City, Phoenix, Atlanta, Dallas, St. Louis, Indianapolis, Cincinnati, Kansas City, Las Vegas, Philadelphia, Charlotte, Columbus, Cleveland, Oklahoma City, Pittsburgh, Memphis, Nashville, Houston, San Antonio, Austin, Richmond, Spokane, Albuquerque, New Orleans, Orlando, Tampa, Detroit, Milwaukee, Tulsa, Columbia SC, Buffalo, Boise, Omaha, Lexington, Fresno, Wichita.

**Small and Very Small Markets:** Please contact originator for full list by County

For additional information visit [www.redcapitalgroup.com](http://www.redcapitalgroup.com) or contact:

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In its prequalifying review, RED Mortgage Capital, LLC will attempt to estimate both the loan amount and the fees and costs associated with the transaction. Actual loan amounts and actual fees and expenses may vary from the prequalifying estimates. A prequalifying estimate is not a commitment to make a loan.