

## FREDDIE MAC SMALL BALANCE LOAN

www.greyco.com

Product Highlights	<ul style="list-style-type: none"> <li>■ Financing for the acquisition or refinance of small balance loans, offering partial-term and full-term interest-only</li> <li>■ Streamlined processes for underwriting, closing and funding</li> <li>■ Streamlined loan documents</li> </ul>
Markets	Nationwide
Loan Amount	<ul style="list-style-type: none"> <li>■ \$1 million to \$6 million in all markets</li> <li>■ Between \$6 million and \$7.5 million for properties with 75 units or less in Top and Standard SBL markets</li> </ul>
Loan Purpose	Acquisition or Refinance
Loan Terms	20-year hybrid ARM with initial 5, 7, or 10 year fixed rate period 5, 7, or 10 year fixed rate loan
Amortization	Up to 30 years
Interest Only	Partial interest only; full-term interest only may be available
Prepayments	Declining schedules and yield maintenance available for all loans types
Eligible Borrowers / Borrowing Entities	<p>Up to \$6 million - Individuals who are US citizens; limited partnerships; limited liability companies; Single Asset Entities (SAE); Special Purpose Entities (SPE); tenancy-in-common (TIC) with up to five un-related members; and Trusts (irrevocable trusts and revocable trusts with a warm body guarantor)</p> <p>Between \$6 million and \$7.5 million - Single Asset Entities</p>
Recourse	Non recourse with standard carve-out provisions required
Net Worth and Liquidity	<ul style="list-style-type: none"> <li>■ Net worth: Equal to the loan amount</li> <li>■ Liquidity: Equal to 9 months of principal and interest</li> </ul>
Eligible Properties	Conventional multifamily housing with five residential units or more, including conventional housing with tax abatements and Section 8 vouchers, and cooperatives in the five boroughs of New York City and Long Island, properties with space for certain commercial (non-residential) uses
Occupancy	Property must generally be stabilized at 90% physical occupancy for the trailing 3-month average prior to Underwriting or 85% for the trailing 3-month average prior to Underwriting under certain scenarios
Escrows	Real estate tax escrow deferred for deals with an LTV ratio of 65% or less Insurance escrow deferred Replacement reserve escrow deferred
Rate Lock	60- to 120-day rate lock period available
Fixed Rate/ Hybrid ARM LTV Ratios and Amortizing DCRs	LTV and DCR requirements vary based on the market tier in which the property resides: Top Market, Standard Market, Small Market, or Very Small Market. To determine market tier, please consult with your Greystone Relationship Manager

(Continued on next page)

## FREDDIE MAC SMALL BALANCE LOAN

www.greystone.com

	Minimum Amortizing DCR	Maximum LTV
Top SBL Markets	1.20x	80%
Standard SBL Markets	1.25x	80%
Small SBL Markets	1.30x	70%*
Very Small SBL Markets	1.40x	70%*

\*Maximum 75% LTV for Acquisitions

## Full term Interest-Only Adjustments

Full Term IO or Full Term IO during Fixed-Rate Period of Hybrid ARM

	Add to the Baseline	Maximum LTV
Top and Standard SBL Markets	0.15x	65%
Small and Very Small SBL Markets	0.10x	60%

## Prepayment Provisions

Fixed Rate

	5-Year	7-Year	10-Year
Option 1	54321	5544321	5544332211
Option 2	321(3)	3(2)2(2)1(3)	3(3)2(3)1(4)
Option 3	(YM or 1%)	(YM or 1%)	(YM or 1%)
Option 4	310(3)	N/A	N/A

Hybrid ARMs<sup>1</sup>

	5+15 Year	7+13 Year	10+10 Year
Option 1	54321,1%	5544321,1%	5544332211,1%
Option 2	321(3),1%	3(2)2(2)1(3),1%	3(3)2(3)1(4),1%
Option 3	(YM or 1%) + 1%, 1%	(YM or 1%) + 1%, 1%	(YM or 1%) + 1%, 1%
Option 4	310(3), 0%	N/A	N/A

<sup>1</sup> Hybrid ARM consists of an initial fixed-rate period followed by a floating-rate period is LIBOR +325 margin for 5-year hybrid period and LIBOR +275 margin for the 7- and 10-year hybrid periods. Every six months, the floating rate may increase or decrease by 1%, never be less than a floor of the initial fixed interest rate and never be greater than a maximum lifetime cap of the initial fixed interest rate + 5%.