



The Finance Report

September 12th, 2016

Recently Closed: Acquisition of 126-unit Portfolio in Palmdale, CA



Summary: Acquisition financing of a 126-unit portfolio in Palmdale, CA. Borrower's objectives were maximum LTV, flexible prepay schedule, and a very low rate.

Loan Amount: \$6,816,250

Property: 126-unit portfolio

Location: Palmdale, CA

Purpose: Acquisition

Rate: 3.45% Fixed for 3 Years

Amortization: 30 Years

Prepayment Penalty: 3 Year step-down

Loan Term: 30 Years

LTV: 74%

Key Indexes

Index	Current	Year Ago	Index	Current	Year Ago
Prime Rate	3.50%	3.25%	5 Year Treas.	1.25%	1.51%
6 Mo. LIBOR	1.26%	0.54%	10 Year Treas.	1.72%	2.19%
COFI-11th	0.69%	0.66%	5 Year Swaps	1.26%	1.67%
12 Mo. Treas.	0.53%	0.38%	10 Year Swaps	1.56%	2.31%

Featured Loan Programs and Market Update

Multifamily Financing:

- 3 yr Fixed Rate @ 3.15%;** 30 yr amortization; 30 yr term; and a 1.5,1.5,1 Prepayment Penalty. Maximum LTV is 75%.
**40 yr amortization available for an increase in rate.*
**Non-recourse available for sub 60% LTV.*
- 5 yr Fixed Rate @ 3.25%;** 30 yr amortization; 30 yr term; and a 1.5,1.5,1,1,1 Prepayment Penalty. Maximum LTV is 75%.
**40 yr amortization available for an increase in rate.*
**Non-recourse available for sub 60% LTV.*
- 7 yr Fixed Rate @ 3.55%;** 30 yr amortization; 30 yr term; and a 2.00 for 5 yrs, 1.00 for yrs 6-7 Prepayment Penalty. Maximum LTV is 75%.
**Reduced rates offered based on loan amount.*
- 10 yr Fixed Rate @ 3.75%;** 30 yr amortization; 30 yr term; and a 5,4,4,3,3,2,2,1,0,0 Prepayment Penalty. Maximum LTV is 80%.