

WHOLESALE LOAN PROGRAM PARAMETERS (In all 50 states)

- **25 year fully amortizing loans with rates fixed up to 25 years**
- Direct table funding or loan purchases – 100% loan sale
- New and existing SBA-504 first mortgages
- Multi-purpose properties only (office, warehouse, industrial, retail, manufacturing, medical, dental, R&D)
- No special purpose: gas, hospitality, car wash, auto, care facilities, storage
- Real estate only with maximum 60% loan-to-value on first mortgage
- Minimum DSCR of 1.2 in last fiscal year and interim
- Operating company coverage min of 1.0 with additional tenant income to reach 1.2 is acceptable
- No personal or corporate bankruptcies or foreclosures
- Minimum personal FICO of 680
- Premiums based on index plus spread and prepay with max premium only dictated by first year of prepay

INTEREST RATE PAR SPREADS

INTEREST RATE INDEX	RESET FREQUENCY	SPREAD OVER INDEX
WSJ Prime Rate Index	Quarterly	-0-
90 Day LIBOR Swap Index	Quarterly	250 basis points
1 Year LIBOR Swap Index	Annually	250 basis points
3 Year LIBOR Swap Index	Every 3 Years	250 basis points
5 Year LIBOR Swap Index	Every 5 Years	250 basis points
10 Year LIBOR Swap Index	Fixed for 10, adjusts every 5 thereafter	250 basis points
10 Year LIBOR Swap Index	25 years fixed for life of loan	290 basis points

- Each 0.25% in rate above the par rate earns 1% in premium
- The initial rate will be the interest rate floor
- Increase par rate of .25% for loans in judicial foreclosure states of Florida, Indiana, Louisiana, Maine, New Jersey, Ohio, Oklahoma
- Par rates reduced by .25% for loans in **all states** that have Loan-to-Value of 40% or less
- Swap rates – [Click Here](#).

PREMIUM OPTIONS PREPAYMENT PENALTY

PREPAYMENT PENALTY	QUARTERLY ADJUSTABLE	3 & 5 YR RESETS	10 YR & 25 YR FIXED
Declining 5%, 4%, 3%, 2%, 1%	1.00%	Minimum	Not Available
Flat 5% for first 5 Years	1.50%	.50%	Minimum
Declining 7%, 6%, 5%, 4%, 3%, 2%, 1%	1.75%	.75%	.25%
Flat 5% for years 1-6, declining 4%, 3%, 2%, 1% for years 7-10	2.00%	1.00%	.50%
Declining 10%, 9%, 8%, 7%, 6%, 5%, 4%, 3%, 2%, 1%	2.50%	1.50%	1.00%
Flat 10% for first 10 years	3.50%	2.50%	1.50%

- Borrower may make annual additional principal reductions without penalty up to 20% of the original note balance.
- The referring lender retains any origination fee. Note, Morgan Stanley will keep .50% to pay the SBA participation fee.
- Lenders who fund at least \$5 million in a calendar year will receive an annual volume incentive.
- The premium cannot exceed the first year's prepayment penalty %.
- A 365/360 rate accrual basis is required. The premium will be reduced by .50% if another basis is used.
- Minimum prepayment penalty of 5% flat for 5 years for loans in judicial foreclosure states of Florida, Indiana, Louisiana, Maine, New Jersey, Ohio, Oklahoma

FOR MORE INFORMATION CONTACT:

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