

## BRIDGE LENDING GUIDELINES

### Affordable Multifamily Housing

Lument's Real Estate Investment Strategies Group is the proprietary lending arm of Lument, a market leader in the mortgage banking services industry.

#### BENEFITS

- Meet acquisition timing requirements or refinance existing debt.
- Bridge various seasoning requirements by Fannie Mae, Freddie Mac, or FHA.
- Provide capital and time for Limited Partner buyouts to obtain tax credits.
- One stop shop for bridge, permanent financing, and LIHTC syndication through Lument's affiliate Boston Financial Investment Management.
- Exit fees waived if permanent debt is provided by Lument and affiliates.

<b>LOAN AMOUNTS</b>	\$5,000,000 and up.
<b>ELIGIBLE PROPERTIES</b>	Affordable multifamily properties that meet Fannie Mae, Freddie Mac, or FHA criteria. Less than 30 year old properties with good access in desirable locations.
<b>TERM</b>	6 to 36 months; extension options may be offered on a case by case basis.
<b>LOAN-TO-VALUE</b>	Lument's underwriting must support a Fannie Mae, Freddie Mac, or FHA refinancing upon maturity. Generally, maximum Lument underwritten LTV based on lesser of "as-is" market rate value, or as-restricted value.
<b>PRICING</b>	Floating-rate 30-day SOFR plus a competitive market spread. Pricing is a function of term, leverage, capital markets, and other risk factors.
<b>AMORTIZATION</b>	Interest only.
<b>TYPICAL LOAN FEES</b>	Standard Commitment Fee, Application Fee, and Exit Fee. Exit Fee waived if Lument provides permanent debt. Extension Fees may apply.
<b>RECOURSE</b>	Generally non-recourse with the exception of Lument's standard non-recourse carve-outs and environmental indemnity agreement. Full or partial recourse will be considered when appropriate to deal structure.
<b>THIRD PARTY EXPENSES</b>	Borrower, Sponsor, and Key Principal(s) shall be responsible for all expenses incurred by Lument in connection with the Loan, including legal, out of pocket and other third party expenses. A deposit will be due upon engagement.
<b>ESCROW/RESERVE REQUIREMENTS</b>	Escrows for taxes, insurance and replacement reserves required. Repair escrow may be required based on Lender's evaluation of the engineering report and the planned exit. Interest & operating reserves may be required.
<b>SPONSOR/BORROWER PROFILE</b>	Strong track record in given market and experience with affordable housing properties. SAE or SPE borrowing entities required. Agency acceptable Key Principal(s) in terms of credit profile, experience, minimum net worth and liquidity levels.
<b>KEY PRINCIPAL(S)</b>	Minimum net worth and liquidity shall be determined during underwriting. Previous experience with affordable housing property renovation required if rehab contemplated. Qualified Operator/ Manager with experience in property type.
<b>PERMANENT FINANCING</b>	Lument shall be granted the rights of first refusal and last look to arrange and/or provide any FHA, Freddie Mac, Fannie Mae DUS® or other permanent first mortgage financing for the Project.
<b>PREPAYMENT</b>	Customized Yield Maintenance periods available depending on borrower strategy.

*In its prequalifying review, Lument 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.*