GENERAL TERMS

Eligible Properties  Existing multifamily properties with at least five residential units
Eligible Borrowers  Single-asset, special purpose entity (for profit or not-for-profit)
Amortization  Fixed rate, fully amortizing
Term  Maximum of 35 years or 75% of the remaining economic life of the property
Maximum Loan Amount  For loans less than $75 million, the lesser of statutory per unit limits or the following:

<table>
<thead>
<tr>
<th>Property Type</th>
<th>Loan to value</th>
<th>Minimum Debt Coverage</th>
<th>Loan to Acquisition Cost</th>
<th>If cash out</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidized 1</td>
<td>90%</td>
<td>1.11x</td>
<td>90%</td>
<td>80% LTV</td>
</tr>
<tr>
<td>Affordable 2</td>
<td>87%</td>
<td>1.15x</td>
<td>87%</td>
<td>80% LTV</td>
</tr>
<tr>
<td>Market Rate</td>
<td>85%</td>
<td>1.18x</td>
<td>85%</td>
<td>80% LTV</td>
</tr>
</tbody>
</table>

Prepayment Options  Negotiable with the best pricing for 10 years of call protection (can be a combination of lockout and/or penalty)
Assumability  Yes, subject to FHA approval
Personal Liability  Non-recourse loan subject to carve-outs for fraud and misrepresentation

ADDITIONAL PARAMETERS

Secondary Financing  Allowable up to 92.5% of value, subject to FHA criteria
Repair Limitations  Up to $15,000 per dwelling unit adjusted by the applicable High-Cost Factor. The applicable factor is typically 270%, but 315% is permitted in certain regions and situations.
All critical repairs must be completed prior to closing. All non-critical repairs must be completed within 12 months of closing.
Commercial Space  Limited to 25% of total net rentable area and 20% of effective gross project income
Equity Cash-Out  Allowable at a maximum loan amount of 80% loan-to-value
Third Party Reports  Appraisal, Phase I ESA, and Project Capital Needs Assessment (PCNA)
Escrows  Property taxes, insurance, HUD mortgage insurance premium and replacement reserves
HUD Application Fee  0.30% of the mortgage amount
HUD MIP  The initial mortgage insurance premium is 1.00%, 0.35%, or 0.25% of the mortgage amount for market rate, subsidized 1 or affordable 2 and green/energy efficient properties, respectively.
Thereafter, 0.60%, 0.35%, or 0.25% annually, payable in monthly installments for market rate, subsidized 1 or affordable 2 and green/energy efficient properties, respectively.
HUD Inspection Fee  Equal to the following:
- $30/unit IF repairs are greater than $100, 000 in the total but the $3,000 or less per unit
- The greater of $30/unit or 1% of the cost of repairs or $1,500 if repairs are more than $3,000 per unit

1  – Subsidized properties have 90% or greater rental assistance with program contract or regulatory agreement in place for at least 15 years.
2  – Affordable properties have 10%-90% set aside limited to 80% AMI, covered by Section 8 contract, or affordable use restriction.