

# Portfolio Loan Program Highlights

12-15-06

|                       |                                                                                                                                                                                             |
|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Eligible Properties:  | Apartment, Mixed Use, 3-Star+ Mobile Home Communities, Commercial Properties such as Office, Retail, Light Industrial, Self Storage.                                                        |
| Loan amounts:         | \$500,000 - \$10,000,000 (\$250K to \$500K on exception basis with pricing adj.)                                                                                                            |
| Quality:              | "A" to "C" Average and above properties (minor deferred maintenance considered). Mixed Use considered with no more than 25% of income derived from other than residential use – Call first. |
| LTV:                  | Apartments and MHC's 80% max on Purchases, R/T and Cash-Out Refinance. Commercial and Mixed Use Loans 75% max on Purchases, R/T and Cash-Out Refinance.                                     |
| Seasoning:            | 1-12 months – Refinancing generally not considered during the first 12 months of ownership unless new construction where refinance is of construction loan.                                 |
| DCR:                  | Minimum 1.20 on Apartments and MHC's.<br>Minimum 1.25 on Mixed Use.<br>Minimum 1.30 on Commercial.                                                                                          |
| Rate Caps:            | 3% max first adjustment, 1% subsequent (6 month), and 6% over life of loan.                                                                                                                 |
| Floors:               | Equal to Start Rate on all programs.                                                                                                                                                        |
| Amortization:         | 25 to 30 years.                                                                                                                                                                             |
| Fixed Periods:        | 3 year, 5 year, 7 year, and 10 year.                                                                                                                                                        |
| Balloons & Lock Outs: | None                                                                                                                                                                                        |
| Pre-Payment Penalty:  | 3 Yr. ARM = 3%, 2%, 1%<br>5 Yr. ARM = 3%, 2%, 1%, 1%, 1%<br>7 Yr. ARM = 3%, 3%, 2%, 2%, 1%, 1%, 0%<br>10 Yr. ARM = 3%, 3%, 3%, 2%, 2%, 2%, 1%, 1%, 1%                                       |
| Recourse:             | Full. Non-Recourse available under 50% LTV.                                                                                                                                                 |
| Assumability:         | One time with 1% fee and Lender approval.                                                                                                                                                   |
| Lending Area:         | Nationwide with MSA Population above 25,000.                                                                                                                                                |
| Impounds:             | Property Tax and Insurance are impounded.                                                                                                                                                   |
| Credit:               | Typically good to excellent with minimum credit score of 660.                                                                                                                               |



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