



BPL Stabilized Multifamily - Guideline Matrix

Program Name:	BPL Term Stabilized Multifamily
Minimum Loan Amount	\$250,000.00
Minimum Number of Properties	5+ Unit: 1
Minimum Property Value	\$50k per door; \$30 - 49k requires exception based approval
Maximum Property Value	5+ Unit: \$10,000,000.00
Maximum Number of Units per Property	30 units > 30 units requires exception based approval
Acceptable States	All 50 US States and DC (excluding US Territories)
Loan Products	<ul style="list-style-type: none"> • 30-year 5/1 ARM (Adjustable Rate Mortgage) • 30-year 7/1 ARM (Adjustable Rate Mortgage) • 30-year 10/1 ARM (Adjustable Rate Mortgage) • 30-year FRM (Fixed Rate Mortgage) <ul style="list-style-type: none"> • Only Allowed for < \$1.5M loan amount for 1 unit and < \$2M loan amount for 2+ units
I/O Terms	<ul style="list-style-type: none"> • 5-Year Interest Only Period + 25 Year Amortization Term • 7-Year Interest Only Period + 23 Year Amortization Term • 10-Year Interest Only Period + 20 Year Amortization Term
ARM Terms	<ul style="list-style-type: none"> • Index: 30-Day SOFR • Margin: 5.25% • Caps <ul style="list-style-type: none"> • Initial Rate Reset: 2.00% on 5/1 ARM; 5.00% on 7/1 ARM and 10/1 ARM • Periodic Rate Reset: 2.00% • Lifetime Rate Reset: 5.00% • Floors <ul style="list-style-type: none"> • Initial Rate Reset: NONE • Periodic Rate Reset: NONE • Lifetime Floor: ORIGINAL/INITIAL NOTE INTEREST RATE
Loan Purpose	<ul style="list-style-type: none"> • Business Purpose ONLY <ul style="list-style-type: none"> • Purchase • Rate/Term Refinance w/ No Cash Out • Cash Out Refinance • Delayed Purchase: property owned free and clear within 180 days of acquisition date. All terms relevant to purchase loan apply
Prepayment Penalty	<p>Minimum of 3-Year Prepayment Penalty Required for All Loans (SEE RATE SHEET FOR MORE DETAIL)</p> <p>PPP Options:</p> <ul style="list-style-type: none"> • 3 Years: 3,2,1 - Only Allow for < \$1.5M loan amount for 1 unit and < \$2M loan amount for 2+ units • 5 Years: YM, 5,4,3,2,1 (expressed as % of UPB) • 7 Years: YM, 5,5,4,4,3,2,1 (expressed as % of UPB) • 10 Years: YM, 5,5,4,4,3,3,2,2,1,1 (expressed as % of UPB)
Escrow Account	Preferred for All Loans
ACH Draft	Preferred for All Loans
Subordinate Financing	NOT Permitted
Recourse / Pledge of Equity Structure	Full Recourse or Limited Recourse with standard "bad boy" carve-outs.
Property:	
Occupancy	<p>Investor / Non-Owner [BUSINESS PURPOSE ONLY; Signed Business Use Affidavit Required]</p> <ul style="list-style-type: none"> • Minimum Occupancy Rate: <ul style="list-style-type: none"> 9 Unit: 80% 10+ Unit: 90% <p>Eligible:</p> <ul style="list-style-type: none"> 9-30 Unit Multi 9-30 Mixed-Use - only if residential units > 50% of total square footage <p>Ineligible:</p> <ul style="list-style-type: none"> Properties with lot size in excess of 20 acres Condotels Co-ops Leaseholds Commercial use properties Properties subject to oil and/or gas leases Operating Farms, Ranches, and Orchards
Property Types	
Appraisal Requirements	<p>Loan Amount (Property Level) ≤ \$1,500,000.00</p> <p>One Full Independent Commercial Narrative Appraisal Required and must be dated no more than 120 days or 180 days with recertification</p> <p>Market Rent Estimate Included in the Appraisal Report</p> <p>Loan Amount (Property Level) ≥ \$1,500,000.00</p> <p>Two Full Independent Commercial Narrative Appraisal Required and must be dated no more than 120 days or 180 days with recertification</p>

<p><i>Loan to Value Ratio (LTV)</i></p>	<p>Calculation: Original loan amount divided by the lowest of: As-Is Value Purchase Price if the loan is for a purchase When two appraisal reports are required the lower will be used for valuation purposes</p>
<p><i>Minimum Debt Service Coverage Ratio (DSCR)</i></p>	<p>Calculation: Monthly In-Place Net Cash Flow (NCF) divided by monthly P&I, after all Property Operating Revenues, Expenses, and Capital Expenditure Reserves (see detailed market tier calculation) Gross Rental Income: the lower of... 1. Actual Monthly Rent in Lease Agreement 2. Market Monthly Rent in Appraisal 3. 10% Haircut of Market Monthly Rent for unleased units Minimum NCF DSCR 1. Top or Standard Market Tier: 1.20x 2. Small Market Tier: 1.30x 3. Very Small Market Tier: 1.40x Leased Properties are defined as follows: A lease with an initial term of 12 months, between unrelated parties Month to month lease with prior active lease Unleased Properties are defined as follows: Vacant Month to month lease without prior active lease 1007 market rent shall be utilized for DSCR calculations Short Term Rentals (i.e. Airbnb / VRBO) is NOT allowed to use for rental income Soft Springing Lockbox: <ul style="list-style-type: none"> Not required if loan amount < \$5,000,000.00 - Lender's discretion for \$3MM - 5MM Required if loan amount ≥ \$5,000,000.00 Lockbox account needs to be set up by the borrower at closing Cash Trap Trigger Springs Upon <ul style="list-style-type: none"> The occurrence of an Event of Default If NCF DSCR is less than Required Minimum DSCR </p>
<p><i>Cash Management</i></p>	<p>For all Loans ≤ \$5MM <ul style="list-style-type: none"> Annual Financial Statements of Borrowing Entity (certified true and correct by CFO / Officer Annual Rent Rolls & Property Operating Statements Other financial reporting as reasonably requested by the Lender For all Loans ≥ \$5MM <ul style="list-style-type: none"> Annual Financial Statements of Borrowing Entity (certified true and correct by CFO / Officer Annual Financial Statements of Borrowing Entity (certified true and correct by CFO / Officer Quarterly Rent Rolls & Property Operating Statements Other financial reporting as reasonably requested by the Lender </p>
<p><i>Reporting</i></p>	<p>For all Loans ≥ \$500,000.00 OR ≥ \$1MM in CA: <ul style="list-style-type: none"> Local Law Opinion from Qualified Attorney For all Loans ≥ \$1MM OR ≥ \$1.5MM in CA: <ul style="list-style-type: none"> Local Law Opinion from Qualified Attorney Enforceability Opinion </p>
<p><i>Legal Opinions / Survey</i></p>	<p>Title Survey can be waived under the following criteria: <ul style="list-style-type: none"> For loans ≤ \$1MM, ALTA and coverage are required and survey exception needs to be omitted from final title policy For loans > \$1MM, a survey endorsement is required An old survey and affidavit of no change with the old survey can be used </p>
<p>Borrower:</p>	
<p><i>Citizenship / Visa Requirements</i></p>	<ul style="list-style-type: none"> U.S. Citizens U.S. Legal Permanent Residents U.S. Persons (LLC and Corporations organized in 50 States or DC)
<p><i>Minimum Credit Score</i></p>	<p>680 [Industry Standard "Tri-Merged" Credit Report No Older than 90 Days is Required <ul style="list-style-type: none"> Highest borrower FICO can be used, if the following requirements are met for lower FICO borrowers <ul style="list-style-type: none"> No derogatory events in the past 3 years (FC, BK, DIL, SS) 0x30x12 late mortgage payments or installments No more than 0x30x12 late credit card payments All median FICO is equal or above 640 </p>
<p><i>Credit History</i></p>	<p>Fraud Prevention Engine Pull Must Be Obtained From DataVerify, CoreLogic, SAS or Similar Engine Minimum of 2 Credit Lines; Minimum 2 Active Credit Lines; At Least 1 Line with 24+ Month Rating No Derogatory Credit Event (Bankruptcy, Foreclosure, Short Sale, Deed-in-Lieu) in Past 3 Years Judgments, Tax Liens, Charge-offs, Non-Medical Collections Must Be Paid in Full Derogatory Credit Event Seasoning of 2 to 4 Years Subject to: <ul style="list-style-type: none"> Additional 10% LTV Limit Reduction, With LTV Not to Exceed 70% Additional Liquid Reserves of 6 Months of PITIA Required 0x30x12 Mortgage and/or Rental Payment History Required </p>
<p><i>Mortgage and/or Rental History</i></p> <p><i>Borrower Experience Requirements</i></p>	<p>Maximum 1x30x12 [applicable to mortgages that appear on Borrower's credit report ONLY] Borrowers with no property management experience are NOT allowed Property Management Experience will be determined by the following factors: <ul style="list-style-type: none"> Number of owned stabilized rental properties under management Experienced managing SFR with the size and location of properties under management Scalability and efficiency of operations Leasing strategy Retention Rate </p>



BPL Stabilized Multifamily - Credit Matrix

Loan Purpose / Balance	Purchase & Rate Refi		Cash-Out	
	Top / Standard	Small / Very Small	Top / Standard	Small / Very Small
720 - 739	80%	75%	75%	70%
700 - 719	75%	75%	75%	70%
680 - 699	70%	70%	70%	65%
660 - 680	65%	60%	65%	65%
>= 740	N/A	N/A	N/A	N/A

Loan Amount	≤ \$1,000,000	3 Months
	\$1,000,001 - \$2,000,000	6 Months
	> \$2,000,000	9 Months
Foreign Borrowers		12 Months
Derogatory Credit Event ≤ 4 Years		Additional 6 Months
Cash-out Loan		Additional 3 Months

>=10 Property Portfolio

Liquid Net Worth >= 5% of Loan Amount

¹ Cash Out Amounts May Be Used as Reserves

² Reserves Must Be Seasoned for 2 Months

³ Borrowers' Liquid Reserves and Borrowers' Reserves are Defined as Assets That Meet Fannie Mae's Requirements

Underwriting Summary



Instructions:

Input
Select

Borrower / Sponsor Information

First Name:	Borrower First	FICO Score:	759	Pass
Last Name:	Borrower Last	Social Security Number:	121-11-XXXX	
City:	University Heights	Sponsor Status:	U.S. Citizen	
State:	Ohio	Cell Phone:	121-121-2214	
Zip Code:	44118	Work / Home Phone:	121-121-2214	
Date of Birth:	7/30/1984	Email:	email@gorealty.com	

Transaction Details

Transaction Type:	Cash-Out	Requested Loan Amount:	\$560,000.00
Credit Bucket:	740	Initial Note Rate:	7.3750%
Maximum LTV:	75.00%	Amortization Term:	360
Loan to Value (LTV):	70.00%	Interest Only:	Yes
Maximum LTV Test:	Pass	Monthly P&I	\$3,441.67

Subject Property Information



Street Address:	8124 Harben Drive
State:	Pennsylvania
Zip Code:	17745
City Lookup:	Lock Haven
Zoning:	RM-1.5 Multifamily
# of Units:	16
Market Tier:	Standard
Region:	Northeast Middle Atlantic
Minimum DSCR:	1.20x
Minimum Occupancy:	90%
Actual Occupancy:	93.75%
Check Occupancy:	Pass

Subject Property Income Statement

Monthly Gross Rent Income		
Actual Monthly Rent	\$8,700.00	Market Rent
Monthly Allowable Rental Income	\$9,192.50	\$9,500.00
Annual Gross Rent Income	\$110,310.00	
Credit and Vacancy Loss (5%)	(\$5,515.50)	
Effective Gross Income	\$104,794.50	
Annual OPEX		
Property Management Fee	\$10,709.00	25.26%
Marketing and Leasing Costs	\$0.00	0.00%
Repairs and Maintenance (R&M)	\$8,800.00	20.75%
Insurance Costs	\$4,191.00	9.88%
HOA Fees & Special Assessment Fees	\$0.00	0.00%
Real Estate Taxes	\$8,957.74	21.13%
Turnover Costs	\$0.00	0.00%
Landscaping Costs	\$0.00	0.00%
Other Costs	\$9,744.00	22.98%
Total OPEX	\$42,401.74	
Operating Expense Ratio	40.46%	
Net Operating Income	\$62,392.76	Method
Capital Expenditures	(\$4,000.00)	\$ Per Unit
Net Cash Flow (NCF)	\$58,392.76	
Annual Debt Service	\$41,300.00	
NCF DSCR	1.4139x	Pass
Debt Yield	11.14%	Pass

Appraisal / Valuation + Assumptions

As-Is Value	\$830,000.00	Base Cap Rate	7.00%	Annual Chg. Cap Rate	5.00 bps
Value Attributed to FF&E	\$30,000.00	Adjustments	0.00%		
Appraised Value	\$800,000.00	Adjusted Cap Rate	7.00%		
Direct Cap Value	\$891,325.14				

Borrower Liquidity

Total Liquid Net Worth	\$31,030.81	Cash & Cash Equivalents:	\$31,030.81
Min Liquid (5% of LA)	\$28,000.00	Marketable Securities (Net of Margin Debt):	
Net Worth Test	Pass	Vested Retirement Accounts (Net of Borrowings):	
Reserves Required	3	Cash Surrender Value of Life Insurance:	
Additional Overlay	3	Post Closing Cash Out:	
Total Required Reserves	6	Other Liquid Assets:	
Total (\$) Reserves	\$20,650.00		
Reserve Test	Pass		

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