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**Drexel Brothers Non-Bank Alternate loans**

**PERMANENT COMMERCIAL REAL ESTATE FINANCING**

**Program One: COMMERCIAL ALT 1 “STATED”**

**Fico:** 650 +

**Loan Terms:** Up to 30 years AM. 3 & 8 yr. fixed options

**Loan Size:** $100K to $5M

**Max LTV:** 75% Multi-family & mixed-use, 65% all other (-5% for all cash-out, -5% for new borrower)

**Debt Service Ratio:** 1.25

**Interest Rate:** Multifamily and Mixed use= 7.49%-8.50%. Other property types= 7.99%-9.25%

**Property Types:** Multifamily (5+ units), mixed-use, office, retail, warehouse, self-storage, auto-service (no old gas stations or underground storage tanks)

**Pre-Payment Penalty:** 5% for fixed period

**Use of Funds:** Purchase, Refinance, Cash-Out Refinance

**Asset verification:** 3 Mo. source & seasoning. No seasoning reduce max LTV by 5%.

**Territory:** Nationwide except Illinois, Michigan, North Dakota, South Dakota, Tennessee & Vermont.

**Lender Processing Fee:** 0

**Special:** NO TAX RETURNS REQUIRED, All cash out available, Seller second up to 80% CLTV, seller assist 3% of total loan amount, population requirement 25k or 25miles of 100,000 city

**Required Loan Docs:**  Executive Summary, Current rent roll, PFS or 1003, Past two years operating statements & current year-end operating statements, Pictures of property, Tri-merge credit report.

**Program Two: COMMERCIAL ALTERNATE 2 “STATED”**

**Fico:** Minimum 600 (under 600 case by case)

**Loan Terms:** 25 year fixed

**Loan Size:** $25K to $500k ($750k in PA, NJ, NY- excluding MHP’s). Min property value is 75k.

1. **Max LTV:** 70%

**Debt Service Ratio:** 1.0+. Case by case

**Interest Rate:**  9 to 12%

**Property Types:** Apartment buildings, mixed use, retail buildings, office buildings, warehouses, auto repair shops, day care businesses, hotels, motels, office buildings; no odd commercial property types

**Pre-Payment Penalty:** 5 Years, 5% year of total loan amount. Step Down, 5, 4, 3, 2, 1.

**Use of Funds:**  Purchase, Refinance, Cash-Out Refinance

**Special:** No income verification, all cash out available. CLTV’s considered up to 80% on a case-by-case basis. Personal guarantees are required on all loans. Bankruptcies are not allowed in the prior four-year period. All loans must have an environmental questionnaire completed. All loans require the payment of an Environmental Processing Fee of $500-$1,500.

**Territory:** Nationwide except AL, HI, WV, VT, NV, MI, ND & Cuiahoga Cty OH, & Los Angeles CA .

**Lender Processing Free:** 0

**Required Loan Docs:** Executive Summary, Current rent roll, PFS or 1003, Past two years operating statements & current year-end operating statements, Pictures of property, Tri-merge credit report.

**Program Three: COMMERCIAL ALTERNATE 3**

**Fico:** 600 +.

**Credit:** Letter of explanation for credit dings.

**Loan Amortization:** 25 & 30.

**Loan Terms:** 3, 5, 7, 10, 15, 25 & 30 options.

**Loan Size:** $200K to $2.5M.

**Max LTV:** Up to 75% of appraised value or purchase price (lesser).

**Debt Service Ratio:** Min 1.25x (UW NOI).

**Interest Rate:** On average from 7.5-11% (subject to market conditions).

**Property Types:** Office, Retail, Industrial, Self-Storage, Single Tenant, Mixed Use, MF 5+.

**Pre-Payment Penalty:** (several different options) Step Down Prepay, Flat Prepay, Yield Maintenance.

**Use of Funds:** Purchase, Refinance, Refi Cash Out.

**Territory:** Nationwide besides ND, SD, AK

**Lender Processing Fee:** 0

**Special:** Lender offers 3 different programs for bank alternate customers.

**Required Loan Docs:** Executive Summary, Current rent roll, PFS or 1003, Past 2 years tax returns (personal and business if applicable), Past 2 years operating statements & current year-end operating statements, Pictures of property, Tri-merge credit report.

**Program Four: DREXEL BROTHERS CHURCH PROGRAM**

**Fico:** 600 +.

**Credit:** Letter of explanation for credit dings.

**Loan Terms:** 25 yrs fully am. & fully fixed.

**Loan Size:** $100K to $5M.

**Max LTV:** Up to 75% of appraised value or purchase price (lesser).

**Debt Service Ratio:** 1.0 +

**Interest Rate:**

**Property Types:** Churches & schools with a religious denomination.

**Pre-Payment Penalty:** Step Down Prepay, Flat Prepay, Yield Maintenance.

**Use of Funds:** Purchase, Refinance, Refi Cash Out.

**Territory:** Nationwide

**Lender Processing Fee:** $1,500

**Special:** Processing fee is donated back to the church one the deal closes. The amount to be financed cannot exceed 3.5 times the churches last full fiscal years gross “Plate Income” or 75% of the appraised value, whichever is the lesser of the two. A minimum last fiscal year “Plate Income” of 75,000 and at least 75 weekly attendees are required to qualify for the minimum financing amount of $100,000, and in addition financing will not exceed 75% of the current appraised value of the completed church (including any planned remodeling, construction, additions, etc.) FOR PURCHASES FINANCING WILL NOT EXCEED 75% OF THE PURCHASE PRICE. Net Income from an affiliated now operating day care center, kindergarten, church school, church senior centers etc. can be included along with the last fiscal year “Gross Plate Income” to qualify.

**Required Loan Docs:** Drexel Brothers Church Executive Summary, Tri-merge credit report, last 3 fiscal years and year-to-date of current years’ financial data indicating revenue & expense breakdown, assets & liabilities etc. for underwriting and to confirm adequate “cash flow” for debt service. If existing financial data to be submitted for underwriting is not in GAAP format prepared by an independent CPA it will be a closing requirement.

**Program Five: 1 - 4 UNIT INVESTMENT PROPERTIES**

**(NON-PORTFOLIO, NON-OWNER OCCUPIED, NO BLANKET)**

**Fico:** 650+

**Loan Terms:** Up to 30 yr am. 3 and 8 yr fixed options.

**Loan Size:** $100K to $2M

**Max LTV:** If deal is under 1 million & fico is under 700, max LTV is 65% (-5% for all cash-out, -5% for new borrower)

**Debt Service Ratio:** 1.2

**Interest Rate:** 7.49% to 8.75%

**Property Types:** Residential investment properties only. SFR, condo, townhome, 2-4-unit.

**Pre-Payment Penalty:** 5% of loan amount for the fixed period of the loan

**Use of Funds:** Purchase, Refinance, Cash-Out Refinance

**Asset verification:** 3 Mo. source & seasoning. No seasoning- reduce max LTV by 5%.

**Territory:** Nationwide except Alaska, Illinois, Michigan, Minnesota, New Hampshire, North Dakota, South Dakota & Vermont.

**Lender Processing Fee:** 0

**Special:** NO TAX RETURNS REQUIRED, All cash out available, Seller second up to 80% CLTV, seller assist 3% of total loan amount, population requirement 25k or 25miles of 100,000 city

**Required Loan Docs:** Executive Summary, Current rent roll, PFS or 1003, Past two years operating statements & current year-end operating statements, Pictures of property (inside and out), Tri-merge credit report.

**Program Six: LARGE PORTFOLIO**

**Fico:** Recourse options: 680 fico = max 75% LTV. 670 fico = max 70% LTV. 660 fico = 65% LTV. Non Recourse options: min. credit score is 620 for US citizens. LTV for Non-recourse will be based on overall credit/loan profile. All loans to foreign nationals are considered non recourse.

**Credit:** Full tri-merge credit report. No Bk’s or foreclosures in past 2 yrs.

**Loan Terms:** 30 Years Am. 5 & 10 year fixed rate options.

**Loan Size:** $300 to $50M

**Max LTV:** Up to 75% on stabilized, leased properties (for foreign nationals & US Citizens). See details about Fico above.

**Min DSCR:** 1.15% \*\* Interest only available at 70% LTV and below, 670 score needed

Interest Rate: 6-7% for Fixed Period

Property Types: SFR, duplex, triplex, 4-unit, condo, townhouse, MF 5-20 units & mixed-use (less than 40% commercial space)

Min Property Values: $50k for 75% LTV, $40k- $49.9k limited to 50% LTV Multi Family $30k per unit.

Pre-Payment Penalty: Term: 5-year-term, Yield Maintenance or Step Down: 5-4-3-2-1 (25bps rate add on). Term: 10-year-term, Yield Maintenance or Step Down: 9-8-7-6-5-4-3-2-1 (25bps rate add on).

Seasoning: After 90 days of ownership this program will lend off appraised value. Less than 90 days of ownership

Occupancy: 10 or more doors = 90%. 5-9 doors = 80%. Multi-unit properties= 85%

Use of Funds: Purchase, Refinance, Cash-Out Refinance

Special: **Release of an individual property** will be permitted upon prepayment by borrower of 115% of the allocated loan amount tied to the specific property. Section 8 housing allowed. Loan is assumable with lender approval with a fee of 10k or 1% of loan balance (whichever is higher). No income verification for loans under 2 million. **Substitution clause** – the borrower could sub out up to 20% of the portfolio with similar properties (same value or better and same rent or better) without incurring the prepayment penalty – now for this option you add .25 to the 5yr term or .15 to the rate on the 10yr option.

Territory: Nationwide Except North Dakota, South Dakota, Alaska & Hawaii Lender Processing Fee: 0

Special: Work with foreign nationals;

Required Loan Docs: Executive Summary, Data Tape, PFS, Loan application, past two years tax returns on deals above 2 million (personal and business if applicable), Leases on all properties, Pictures of property, Tri-merge credit report.

**Program Seven: Large Portfolio (program coming soon)**

Fico: No min. fico requirement

Credit: Full tri-merge credit report

Loan Terms: 30 Years Am. 5 & 10 year fixed rate options.

Loan Size: $500k to $50M

Max LTV: Up to 75% on stabilized, leased properties.

Interest Rate: 9% for Fixed Period

Property Types: Only 1-4 unit investment properties such as: SFR, duplex, triplex, 4-unit, condo, townhouse.

Use of Funds: Purchase, Refinance, Cash-Out Refinance

Have a Powerful Day

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