



3650 REIT

Commercial Criteria

TARGET INVESTMENT SUMMARY

Loan Term	5 & 10 years
Loan Size	Minimum \$10.0 million
Interest Rate	Fixed Rate (spread pricing over appropriate Swap Yield or Treasury Yield)
Amortization	30- Year amortization; interest only available
Minimum DSCR	1.25x
3650 Origination Fee	None; rate buydown fees permitted on a case-by-case basis
Reserves	Typical reserves for capital markets loans (Tax, Insurance, CapEx, TI/LC); Prefunded earnout available
Prepayment	Lockout followed by defeasance or yield maintenance; open last 3-months of term
Guarantees	Non-recourse with standard "bad-boy" and environmental carve-outs
Lockbox & Cash Management	Springing or In-place (case-by-case)
Mezzanine Financing	Available on a case-by-case basis
Early Rate Lock	Available on a case-by-case basis subject to a margin deposit and rate lock agreement
Locations	Primary, secondary, and tertiary MSAs within the United States
Property Types	Eligible property types include industrial, retail, self-storage, hospitality, office

REQUIRED DILLIGENCE FOR CLOSING

Third Parties	Appraisal, Phase 1, Property Condition Report, Zoning – Performed by 3650 approved national vendors
Searches	Standard searches on (1) all guarantors and (2) anyone with 20% or more of ownership
Insurance Review	Third Party review of property insurance
Operating Statements	Certified rent roll, T12 and Budget
Tenant Review	Review of rent roll and major tenants
Agreed Upon Procedures	AUP to verify collections; limited expense testing

UNDERWRITING CRITERIA

Gross Potential Rent	Annualized in place rent roll with vacant units grossed up at market rent
Less: Vacancy	Greater of 5% or in place (inclusive of recoveries)
Other Income/Reimbursements	T12
Expenses (Excluding Taxes)	T12
Property Taxes	If taxes are market rate – budgeted taxes. If taxes are abated – average of proforma taxes over loan term.
Standard Reserves	TI/LC: \$1.00/SF/Year, CapEx: \$0.20/SF/year



3650 REIT

Multifamily Criteria

TARGET INVESTMENT SUMMARY

Loan Term	5 & 10 years
Loan Size	Minimum \$5.0 million
Interest Rate	Fixed Rate (spread pricing over appropriate Swap Yield or Treasury Yield)
Amortization	30- Year amortization; interest only available
Minimum DSCR	1.20x
3650 Origination Fee	None; rate buydown fees permitted on a case-by-case basis
Reserves	Typical reserves for capital markets loans (Tax, Insurance, CapEx); Prefunded earnout available
Prepayment	Lockout followed by defeasance or yield maintenance; open last 3-months of term
Guarantees	Non-recourse with standard "bad-boy" and environmental carve-outs
Lockbox & Cash Management	Soft Springing or Soft In-place (case-by-case); Borrower deposits rents
Mezzanine Financing	Available on a case-by-case basis
Early Rate Lock	Available on a case-by-case basis subject to a margin deposit and rate lock agreement
Locations	Primary, secondary, and tertiary MSAs within the United States
Property Types	Multifamily, MHC, 55+, Student Housing
Minimum Units	Property must have 5 or more units per building

REQUIRED DILLIGENCE FOR CLOSING

Third Parties	Appraisal, Phase 1, Property Condition Report, Zoning – Performed by 3650 approved national vendors
Searches	Standard searches on (1) all guarantors and (2) anyone with 20% or more of ownership
Insurance Review	Third Party review of property insurance
Operating Statements	Certified rent roll, T12 and Budget
Agreed Upon Procedures	AUP to verify collections; limited expense testing

UNDERWRITING CRITERIA

Gross Potential Rent	Annualized in place rent roll with vacant units grossed up at market rent
Less: Vacancy	Greater of 5% or in place
Other Income/RUBS	T12
Expenses (Excluding Taxes)	T12
Property Taxes	If taxes are market rate – budgeted taxes. If taxes are abated – average of proforma taxes over loan term.
Standard CapEx Reserves	\$250/unit/year