

|                                  |  |
|----------------------------------|--|
| <b>BENEFITS</b>                  | <ul style="list-style-type: none"> <li>• Re-syndication solution.</li> <li>• Interest-only options available.</li> <li>• Interest rate cap options.</li> <li>• Attractive, low-cost acquisition solution for preservation of Multifamily Affordable Properties.</li> <li>• Convertible to fixed rate.</li> </ul>   |
| <b>ELIGIBILITY</b>               | Existing, stabilized Multifamily Affordable Housing Properties.  |
| <b>TERM</b>                      | 5 or 7 years (10-year SARM Loan option also available).  |
| <b>LOAN SIZE</b>                 | No minimum or maximum loan amount.<br>(Except SARM Loans that are not re-syndication transactions must be \$5 million or greater.)   |
| <b>AMORTIZATION</b>              | Up to 30 years.  |
| <b>MAXIMUM LTV</b>               | Up to 80%.   |
| <b>MINIMUM DSCR</b>              | <p><b>ARM 7-6™ and ARM 5/5 Loan: 1.00x</b> using the maximum lifetime interest rate.</p> <p><b>SARM Loans - 1.00x</b> using a variable underwriting rate equal to the sum of (i) the Index, plus (ii) the Investor spread, Guaranty Fee Rate, and Servicing Fee Rate (the "Margin"), plus (iii) the interest rate cap escrow expressed as a percentage (if the cap term is shorter than the loan term), plus (iv) 3%, plus (v) the amortizing constant for that built-up rate.</p>   |
| <b>PREPAYMENT AVAILABILITY</b>   | <p>Mortgage Loan is locked-out from Prepayment for first 12 months, with a 1% Prepayment Premium thereafter. No prepayment premium is owed during the last 3 months of the loan term.</p> <p>SARM Loans also offer the option of a one-year lock-out, then declining prepayment premium of 4% in the second year, 3% in the third year, 2% in the fourth year, and 1% thereafter.</p>  |
| <b>INTEREST RATE ADJUSTMENTS</b> | Adjusts based on changes to the underlying Index and is equal to the Index plus the Margin.  |
| <b>RATE LOCK</b>                 | 30-day commitments available.  |
| <b>INDEX</b>                     | 30-day Average SOFR.   |
| <b>INTEREST RATE CAP</b>         | <p><b>ARMs 7-6™</b> have maximum monthly interest rate adjustment of 1% up or down. The maximum lifetime interest rate to Borrower is capped at 6%, plus the guaranty fee, plus the servicing fee.</p> <p><b>ARM 5/5 Loans</b> have a maximum monthly interest rate adjustment of plus or minus 1%. The maximum lifetime interest rate to the Borrower is capped at 5%, plus the Guaranty Fee, plus the Servicing Fee.</p> <p><b>SARM Loans</b> have no built-in periodic or lifetime caps. Instead, the Borrower must purchase an interest rate cap from an approved interest rate cap provider, with a minimum initial cap term of 5 years.</p>  |
| <b>INTEREST RATE FLOOR</b>       | The interest rate shall never be less than the Margin.   |
| <b>CONVERSION TO FIXED RATE</b>  | <p>Subject to the terms of the loan documents, the Mortgage Loan may be converted to a fixed-rate Mortgage Loan on any rate change date beginning on the first day of the second loan year and ending on the first day of the sixth loan year for an <b>ARM 7-6™</b>, or the first day of the third month prior to maturity for a <b>SARM Loan</b>.</p> <ul style="list-style-type: none"> <li>• No prepayment premium is charged at the time that the Mortgage Loan converts.</li> <li>• Conversion requires minimal re-underwriting; Lender determines that the current Net Cash Flow can support the new fixed rate.</li> <li>• No increase in the loan amount, although the Property may be eligible for a Supplemental Loan.</li> </ul> |

NEWPOINT.COM



This sheet sets out the general guidelines of a loan program and is designed solely as an aid to prospective borrowers and other clients. It does not represent or imply a contract or a commitment to lend funds. A commitment to lend funds may only be made by a written letter issued by NewPoint to a prospective borrower. This term sheet is subject to change at any time without notice at the sole discretion of NewPoint Real Estate Capital LLC. Arizona Commercial Mortgage Banker License CBK - 0926535. Nevada Mortgage Company License 5605. California DFPI Finance Law License 603F812. California commercial real estate broker activities are conducted through NewPoint Multifamily Capital Corporation (California Department of Real Estate Broker License No. 01995692, which is a wholly owned subsidiary of NewPoint Real Estate Capital LLC. New York Real Estate Broker Company License No. 10991236549. North Carolina Collection Agency Permit No. 112712. North Dakota Money Broker License MB104168. South Dakota Non-Residential Mortgage Lender License 1140125.ML-NR. To view NewPoint's complete licensing information please visit [newpoint.com/licensing-disclosures](http://newpoint.com/licensing-disclosures).



## Flexible Choice Bridge

|                            |  |
|----------------------------|--|
| <b>ACCRUAL</b>             | Actual/360.  |
| <b>RECOURSE</b>            | Non-recourse execution with standard carve-outs for “bad acts”, such as fraud and bankruptcy.  |
| <b>ESCROWS</b>             | Replacement reserve, tax and insurance escrows are typically required.   |
| <b>THIRD-PARTY REPORTS</b> | Standard third-party reports required, including Appraisal, Phase I Environmental Site Assessment and Property Condition Assessment. |

[NEWPOINT.COM](http://NEWPOINT.COM)



This sheet sets out the general guidelines of a loan program and is designed solely as an aid to prospective borrowers and other clients. It does not represent or imply a contract or a commitment to lend funds. A commitment to lend funds may only be made by a written letter issued by NewPoint to a prospective borrower. This term sheet is subject to change at any time without notice at the sole discretion of NewPoint Real Estate Capital LLC. Arizona Commercial Mortgage Banker License CBK - 0926535. Nevada Mortgage Company License 5605. California DFPI Finance Law License 603F812. California commercial real estate broker activities are conducted through NewPoint Multifamily Capital Corporation (California Department of Real Estate Broker License No. 01995692, which is a wholly owned subsidiary of NewPoint Real Estate Capital LLC. New York Real Estate Broker Company License No. 10991236549. North Carolina Collection Agency Permit No. 112712. North Dakota Money Broker License MB104168. South Dakota Non-Residential Mortgage Lender License 1140125.ML-NR. To view NewPoint's complete licensing information please visit [newpoint.com/licensing-disclosures](http://newpoint.com/licensing-disclosures).

