



SBA 504 1st Mortgages with Morgan Stanley – available in all 50 states

- Direct table fund or loan purchase
- New SBA 504 transactions / Refinance existing SBA 504 1st mortgages / 504 Debt Refi
- **Rates fixed for 1 year, 3 years, 5 years, 10 years or 25 years – all with 25 year amortization**
- Max premium = first year Prepay (no cap on dollar amount – earn up to 10 points)
- Multi-purpose only: office, warehouse, industrial, retail, manufacture, medical, dental, etc.
- No Special Purpose: auto dealer, care facility, equipment, gas, hospitality, restaurant, storage, schools
- Maximum 60% LTV on 1st mortgage for firsts up to \$7MM / 55% LTV for first over \$7MM
- DSCR min of 1.2 for last fiscal year and interim
- No personal or corporate bankruptcies
- Minimum personal FICO 680
- Allowance of 20% principal reduction per year
- Preferred Pricing for Quintessential Credit: for the right deal MS will beat anyone & fix rate for 25 years
- Volume Bonus of 50 bps or 0.125% lower par rate for every \$5 million in first mortgages
- If LTV is under 40% on first mortgage: Reduce Par rate by 25 bps
- **Libor Swap Index Rates:** <https://www.theice.com/marketdata/reports/180>

PAR RATES = INDEX + SPREAD: Earn 1 point premium for each additional 25 bps

Variable Rate:	WSJ Prime Index Rate + 0 bps or 90 Day Libor Swap Index Rate + 250 bps
1 Year Fixed Rate:	1 Year Libor Swap Index Rate + 250 bps
3 Year Fixed Rate:	3 Year Libor Swap Index Rate + 250 bps
5 Year Fixed Rate:	5 Year Libor Swap Index Rate + 250 bps
10 Year Fixed Rate:	10 Year Libor Swap Index Rate + 250 bps
25 Year Fixed Rate:	10 Year Libor Swap Index Rate + 290 bps

<u>Prepay Penalty – Additional Premium</u>	<u>Adjustable</u>	<u>3 & 5 Year</u>	<u>10 & 25 year</u>
Declining 5/4/3/2/1	1 point	Minimum	NA
Flat 5% for 5 years	1.5 points	0.5 points	Minimum
Declining 7/6/5/4/3/2/1	1.75 points	0.75 points	0.25 points
Flat 5% for 5 years, then 5/4/3/2/1	2 points	1 point	0.5 points
10/9/8/7/6/5/4/3/2/1	2.5 points	1.5 points	1 point
Flat 10% for 10 years	3.5 points	2.5 points	1.5 points

Ken Rosenthal

MBA SBA Lending Expert

CDC Capital Markets – Sr. Advisor
krosenthal@cdcloans.com 858.967.7817
www.cdccapitalmarkets.com