



# FANTINI & GORGA

Skillfully Linking Borrowers and Lenders.

## Master Money Matrix<sup>®</sup> Fixed Rate Survey

Fourth Quarter 2017

LOAN TYPE	EXPLANATION	UNIVERSE	RISK PROFILE/RATES			COMPETITIVE FEATURES
			BEST RATES	AVERAGE RATES	RATES FOR HIGHER RISK LOANS	
			Targeted class of real estate for this lender, lower leverage, strong sponsor	Targeted class of real estate for this lender, moderate leverage, satisfactory sponsor	Targeted class of real estate for this lender, 70%-80% LTV leverage, underwritable sponsor	
<b>INSURANCE COMPANY PERMANENT LOAN</b>	This "general account" money is typically reserved for top tier office, industrial, retail and apartment real estate. Loans from \$1M to \$100M+	Over 50 insurance companies, most eager to lend in New England	Insurance companies typically price at spreads over Treasuries or LIBOR swaps			<ul style="list-style-type: none"> <li>+Non-recourse</li> <li>+No origination fees</li> <li>+Offer full range of note terms</li> <li>+No loan covenants</li> <li>+Excellent loan servicing</li> <li>+Even lower rates with shorter amortization</li> </ul>
			5 yr 3.00% 7 yr 3.25% 10 yr 3.45% 15 yr 3.70% 30 yr 3.80%	5 yr 3.85% 7 yr 3.95% 10 yr 4.15% 15 yr 4.30% 30 yr 4.40%	5 yr 4.90% 7 yr 5.05% 10 yr 5.25% 15 yr 5.40% 30 yr 5.45%	
<b>CONDUIT PERMANENT LOAN</b>	Loans originated by investment banks, some commercial banks and insurance companies and some specialty lenders for sale in pools of mortgaged backed securities. Loans from \$3M to \$50M+	There are approximately 20 active lenders but a few dominate the volume of origination	Conduit rates are typically priced at a spread over LIBOR swaps			<ul style="list-style-type: none"> <li>+5 year program not very active</li> <li>+Non-recourse</li> <li>+Will lend on broad range of real estate</li> <li>+High LTV relative to other sectors</li> <li>+Open to structuring for lease rollovers</li> <li>+No origination fees</li> <li>+Ongoing loan covenants typically required</li> <li>+History of weak loan servicing</li> </ul>
			5 yr 4.50% 7 yr 4.25% 10 yr 4.15%	5 yr 4.80% 7 yr 4.50% 10 yr 4.45%	5 yr 5.50% 7 yr 5.10% 10 yr 5.00%	
<b>BANK PERMANENT LOAN</b>	Most prevalent and familiar capital source. Loans from \$1M to \$50M+	Over 250 banks of all sizes active in New England	Banks price over various indexes - mainly LIBOR swaps, FHLB advance rates and cost-of-funds			<ul style="list-style-type: none"> <li>+Easy borrower access</li> <li>+Least programmatic lending criteria</li> <li>+Generally charge origination fee</li> <li>+Some level of recourse may be required</li> <li>+Ongoing loan covenants often required</li> </ul>
			5 yr 3.65% 7 yr 3.80% 10 yr 3.95%	5 yr 4.35% 7 yr 4.55% 10 yr 4.80%	5 yr 4.85% 7 yr 5.15% 10 yr 5.55%	
<b>FANNIE MAE &amp; FREDDIE MAC PERMANENT LOAN</b>	These two government sponsored agencies provide a significant percentage of multi-family loans. Loans from \$1M to \$50M+	Fannie lends through 25 DUS lenders; Freddie lends through 22 Program Plus Lenders	Fannie and Freddie rates are typically quoted at spreads over Treasuries			<ul style="list-style-type: none"> <li>+Non-recourse</li> <li>+No loan covenants</li> <li>+No origination fee if loan sourced through a correspondent</li> <li>+25-35 bps better rates for affordable and green properties</li> </ul>
			5 yr 4.10% 7 yr 4.00% 10 yr 4.05%	5 yr 4.30% 7 yr 4.20% 10 yr 4.20%	5 yr 4.50% 7 yr 4.40% 10 yr 4.35%	
<b>FHA 223 (f)</b>	Privately owned MAP lenders obtain FHA mortgage insurance ("MIP") and fund loans. No minimum or maximum amounts	Several MAP lenders are particularly active in New England and over 30 actively lend throughout the country	These loans are priced at spreads over Ginnie Maes and often track 10-year LIBOR swap rates			<ul style="list-style-type: none"> <li>+Non-recourse</li> <li>+Offers the highest loan proceeds</li> <li>+Offers the longest term</li> <li>+No prepayment penalty after year 10</li> <li>+Loan processing time can be lengthy</li> </ul>
			35 yr 3.20% (3.85% with MIP - conventional) (3.50% with MIP - affordable)			

The Interest Rates shown above are reflective of the feedback our brokers are provided in the normal course of conducting our loan placement activity. Assumes 25 or 30 year level debt service amortization. They are representative of a wide cross-section of market activity at the time this Matrix was prepared. The Capital Markets are constantly changing. You are encouraged to contact our broker professionals for up to date rates.