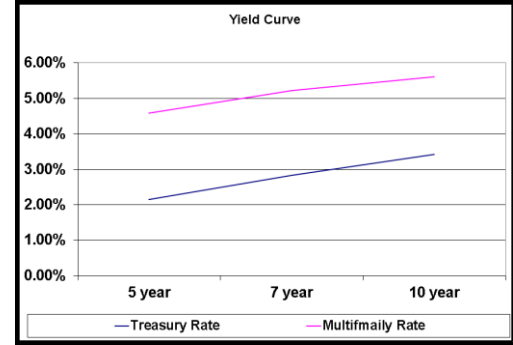
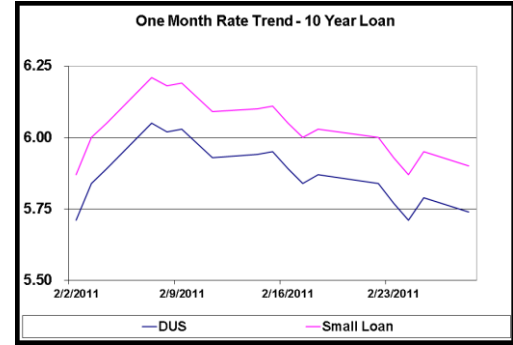
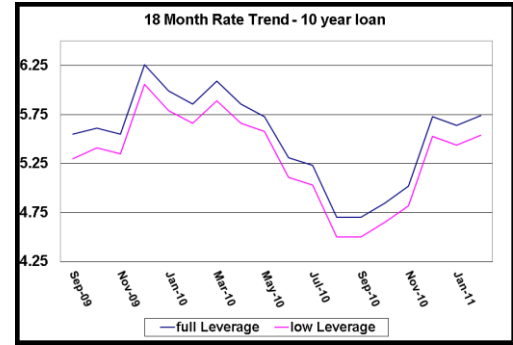


Lender Update - Lending options have not changed from last month. For larger loans (over \$5 million), Freddie and Fannie are still the best lenders with life companies being in the mix for class "A" properties in top markets. Conduits are competing for loans over \$10 million, but for the most part they cannot beat the agency lenders in terms or rate. Banks are the only choice for smaller properties except those that can qualify Fannie's small loan program. Even then Banks are the better option in many cases with low 3 and 5 year raters and the ability to get higher loan proceeds. HUD is still the option for loans needing the maximum proceeds.

Rate Update - After a rise in rates earlier this month rates dropped dramatically due to a flight to quality caused by the various revolutions in the Middle East. While these reductions have improved overall rates for agency and life company borrowers this could be short lived. In contrast, bank rates have stayed stable over the month maybe even dropped slightly.

While treasury rates are down the markets are tricky. Political issues are driving the treasury market as much or more than economic issues. Treasury rates have benefited from the international crisis, but this could easily reverse itself. More worrying is the fight over the deficit in congress. The potential shutting down of the government and discussion over raising the deficit ceiling will cause a reaction in the markets. For someone who will be locking rate this month, be careful. There will be days when rates move dramatically and if you are not aware you will either be caught off guard and/or miss a great opportunity.

Below is our current multifamily lender survey which we will be publishing on a quarterly basis. If you are interested in knowing more about any of these lenders please [contact us](#).



Multi-Family Lender Survey							
Lender	Loan Size	Max LTV	Typical Amortization	3-year Fixed	5-year Fixed	7-year Fixed	10-year Fixed
Regional Bank	\$500K-\$20MM	80%	25 years	4.50%	5.25%	n/a	n/a
Local Bank	\$500K-\$10MM	75%	25 years	5.25%	5.75%	n/a	n/a
Local Bank	\$500 K-\$11MM	70%	25 years	6.00%	6.00%	n/a	n/a
Local Bank	\$1 MM-\$10MM	75%	25 years	5.25%	5.50%	n/a	n/a
Regional Bank	\$1 MM-\$10 MM	75%	25 years	5.25%	5.50%	n/a	n/a
Local Bank	\$100K-\$2.5MM	70%	25 years	4.50%	5.99%	n/a	n/a
Local Bank	\$100 K - \$4 MM	75%	25 years	4.25%	4.75%	n/a	n/a
Local Bank	\$1 MM-\$10 MM	65%	30 years	4.75%	5.37%	n/a	n/a
Regional Bank	\$1 MM-\$15 MM	70%	25-30 years	5.50%	6.00%	n/a	n/a
National Bank	\$500K - \$5 MM	70%	30 years	4.85%	5.15%	5.65%	6.20%
National Bank	\$1MM- \$10 MM	70%	30 years	5.25%	5.55%	6.10%	6.45%
Insurance Company	\$500K-\$25 MM	80%	25 years	4.65%	5.50%	6.25%	6.90%
Insurance Company	\$500K \$10 MM	75%	25 years	5.15%	5.30%	5.90%	6.40%
Insurance Company	\$10MM-50MM+	75%	30 years	n/a	4.75%	5.25%	5.65%
CMBS	\$5MM-\$50MM+	75%	30 years	4.25%	4.75%	5.40	6.00%
Fannie Mae Small Loan							
			Tier 2 (80% , 1.25x)	Tier 3 (65%, 1.35x)	Tier 4 (55%, 1.55x)		
5 Year Term	\$750 K-\$3MM		4.97%	4.77%	4.55%		
7 Year Term	\$750 K-\$3MM		5.60%	5.35%	5.15%		
10 Year Term	\$750 K-\$3MM		5.95%	5.75%	5.50%		
15 Year Term	\$750 K-\$3MM		6.60%	6.40%	6.20%		
Fannie Mae DUS							
5 Year Term	\$3MM-\$50+MM		4.60%	4.40%	4.20%		
7 Year Term	\$3MM-\$5 +MM		5.25%	5.00%	4.80%		
10 Year Term	\$3MM-\$50+MM		5.60%	5.40%	5.19%		
Freddie Mac							
			5 Year	7 Year	10 Year		
CME	\$4MM-\$50MM+		4.90%	5.60%	5.90%		
Portfolio	\$4MM-\$50MM+		5.50%	6.25%	6.50%		
HUD 223 (f)	\$2.5MM-\$50+MM		4.50% - 5.00%		35 year fully amortizing loan		

All rates as of February 28, 2011 and are based on an informal survey of lenders.

Key Rate Indices			
	Current	Last Month	Change
6-mo. Libor	0.46%	0.46%	-
1- yr Libor	0.79%	0.79%	-
Prime	3.25%	3.25%	-
Fed Funds	0.25%	0.25%	-
1 year CMT	0.26%	0.27%	- 1 Bps
5-Yr Treasury	2.13%	1.92%	+21 Bps
10-Yr Treasury	3.42%	3.32%	+10 Bps

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