

# MOBILE HOME PARK LOANS

## LOAN CRITERIA\*

### Borrower

- Good credit history
- Management and/or ownership experience helpful

### Property Description

- Only existing parks – Preferences to family and retirement parks
- Preferences to three, four and five star communities
- Minimum annual occupancy rate – 80%
- Minimum pads - 50
- Rehabilitation eligible – case by case basis

### Property History

- Minimum of one year of operation with a growing N.O.I.

### Loan Amount

- From \$2, 000,000. Mezzanine financing available.

### Loan Term

- Fixed rate, 5 to 20 years with 20 to 25 years amortization, fixed rate. Floating rates are also available.

### Closing Period

- 30 to 45 days

### Interest Rates

- 150 to 350 basis points over the corresponding Treasury Bills' Index.

### Debt Service Coverage Ratio

- 1.20 or higher

### Loan to Value Ratio

- Up to 75%

### Use of Funds

- An explanation as to how the loan will be used.

### Reserves

- Tax and insurance escrows may be required. A replacement reserve for each pad may also be required (about \$50 a pad, but subject to location, creditworthiness of borrower, etc.)

### Prepayment Penalties

- Loans are locked in for a minimum period of time.

### Collateral

- First lien position

**Property Locality**

- United States only

**Basic Documents**

- Description of property.
  - Copy of franchise agreement, if applicable
  - Color photographs – interior & exterior (property and neighborhood).
  - Copy of building layout and site plan
  - Map – indicate the location of property
  - Occupancy history - past three years
  - Parking Information – no. of spaces and no. of handicapped spaces
  - Résumés of principals and key employees
- Financial Information
  - Copies of mortgage agreement(s)
  - Corporate financials – past three years and YTD
  - Signed and dated financial statement of all principals
  - Operating statement for the past three years
  - Three-year pro forma on a monthly basis
- Miscellaneous Information
  - Corporate federal income tax returns – past three years
  - Personal federal income tax returns of 20% or more owners – past three years
  - MAI appraisal

**\*Basic criteria subject to change without notice.**