



# **SBA 504 & Conventional Loan Pricing Guide**

## 1 DETERMINE LOAN ELIGIBILITY **EVALUATE OUR UNDERWRITING PARAMETERS**

Please carefully review Liberty's SBA 504 & Conventional Underwriting Parameters documents on following pages to determine business and sponsor credit eligibility. Liberty will consider non-conforming deals for mixed use properties only in tier 1 and 2 markets.

## 2 CALCULATE BASE COUPON **USE OUR LOAN PRICING MATRIX**

Please note that borrower pays a 1% loan origination fee on the SBA 504 first lien loan and interim second lien loan or total of Conventional loan amount to Liberty SBF at close. Reference Liberty's Underwriting Parameters document for Property Type definitions. Liberty will consider loans in Tier 3 geo on a select basis.

		TIER 1 GEO	TIER 2 GEO
MULTI-PURPOSE	CONFORMING	S + 2.50%	S + 2.75%
	NON-CONFORMING	S + 3.75%	S + 4.00%
SELF-STORAGE		S + 2.75%	S + 3.00%
HEALTHCARE		S + 3.00%	S + 3.25%
HOSPITALITY		S + 3.75%	S + 4.00%
SPECIAL PURPOSE		S + 4.00%	S + 4.25%

RATES AS OF 7/1/19

A 25bp rate discount is available for multi-purpose property types (office, warehouse, retail, MOB) in Los Angeles, Orange County, San Diego, San Francisco, Seattle & metro New York. Call for details.

## BORROWER / PRINCIPAL

INDUSTRY EXPERIENCE	≥ 4 years
EXPERIENCE IN CITY	≥ 4 years
BUSINESS AGE	≥ 4 years
PERSONAL GUARANTOR NET WORTH	The greater of \$1MM or 30% of Total Financing
PERSONAL GUARANTOR LIQUIDITY (POST-CLOSE)	The greater of \$100K or 5% of Total Financing
BORROWER CREDIT SCORE	> 660

## CASH FLOW

BUSINESS DSCR	> 1.20x for two years (verified by Federal tax returns)
VERIFICATION SOURCE	Minimum one year FTR
GLOBAL DSCR	> 1.10x for three years (verified by Federal tax returns)

## MULTI-PURPOSE (UP TO 90% LTV)

ACCEPTABLE PROPERTY TYPES	Office, Industrial, Retail
ASSET QUALITY	Class A, B, C
MARKET	Tier I, II or III
LOCATION (OFFICE / RETAIL)	High density business district
LOCATION (INDUSTRIAL)	Industrial cluster and in close proximity to major thoroughfares
AGE OF ASSET	Built in last 40 years or newly renovated
GROUND LEASE	Fee simple
ADDITIONAL CONDITIONS	Positive underlying CRE dynamics

## HOSPITALITY (UP TO 85% LTV)

ACCEPTABLE FLAGS	Best Western, Carlson Rezidor Hotel Group, Choice Hotels (midscale and up), Hilton, Hyatt, IHG, La Quinta, Marriott, Wyndham
RESTRICTED PROPERTY TYPES	Exterior corridor, non-flagged, motels, budget/economy class
MARKET	Tier I, II or III
LOCATION	High density business district
MINIMUM NUMBER OF ROOMS	50
GROUND LEASE	Fee simple

## SPECIAL-USE (UP TO 85% LTV)

ACCEPTABLE PROPERTY TYPES	Self-storage, assisted living facilities/skilled nursing facilities and other healthcare properties, day care, sports facilities, event centers
ASSET QUALITY	Class A, B, C
RESTRICTED PROPERTY TYPES	Religious facilities, non-profits, gas stations, car washes, marinas, or properties with serious environmental hazards
MARKET	Tier I or II
LOCATION	Industrial cluster and in close proximity to major thoroughfares
AGE OF ASSET	Built in last 40 years or newly renovated
GROUND LEASE	Fee simple

## BORROWER / PRINCIPAL

INDUSTRY EXPERIENCE	≥ 4 years
EXPERIENCE IN CITY	≥ 4 years
BUSINESS AGE	≥ 4 years
PERSONAL GUARANTOR NET WORTH	The greater of \$1MM or 30% of the Loan Amount
PERSONAL GUARANTOR LIQUIDITY (POST-CLOSE)	The greater of \$100K or 5% of the Loan Amount
BORROWER CREDIT SCORE	> 700

## CASH FLOW

BUSINESS DSCR	> 1.30x for two years (verified by Federal tax returns)
VERIFICATION SOURCE	Minimum one year FTR
GLOBAL DSCR	> 1.20x for three years (verified by Federal tax returns)

## MULTI-PURPOSE (UP TO 70% LTV)

ACCEPTABLE PROPERTY TYPES	Office, Industrial, Retail
ASSET QUALITY	Class A, B, C
MARKET	Tier I or II
LOCATION (OFFICE / RETAIL)	High density business district
LOCATION (INDUSTRIAL)	Industrial cluster and in close proximity to major thoroughfares
AGE OF ASSET	Built in last 40 years or newly renovated
GROUND LEASE	Fee Simple
ADDITIONAL CONDITIONS	Positive underlying CRE dynamics

## HOSPITALITY (UP TO 65% LTV)

ACCEPTABLE FLAGS	Best Western, Carlson Rezidor Hotel Group, Choice Hotels (midscale and up), Hilton, Hyatt, IHG, La Quinta, Marriott, Wyndham
RESTRICTED PROPERTY TYPES	Exterior corridor, non-flagged, motels, budget/economy class
MARKET	Tier I or II
LOCATION	High density business district
MINIMUM NUMBER OF ROOMS	50
GROUND LEASE	Fee Simple

## SPECIAL-USE (UP TO 65% LTV)

ACCEPTABLE PROPERTY TYPES	Self-storage, assisted living facilities/skilled nursing facilities and other healthcare properties, day care, sports facilities, event centers
ASSEST QUALITY	Class A, B, C
RESTRICTED PROPERTY TYPES	Religious facilities, non-profits, gas stations, car washes, marinas, or properties with serious environmental hazards
MARKET	Tier I or II
LOCATION	High density business district
AGE OF ASSET	Built in last 40 years or newly renovated
GROUND LEASE	Fee simple



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