



## Griffin Capital Funding Program Guidelines



**Please take a moment to review these guidelines as it will help you determine loan eligibility and save you time.**

Contained in this document you will find detailed program guidelines regarding our secondary market program. This document contains hyperlinks which can automatically direct you to [loan forms](#) and our [rate sheet](#) if you are reading this in an electronic format. If you are reading this in hard copy, you can visit [www.ysploans.com](http://www.ysploans.com) to access any necessary forms.

### **Submission Process:**

We make the loan submission process as easy as possible for you and do **not** want to burden you with excessive paperwork. We realize that as a loan originator your focus should be sales and service and not on hours of paperwork. As such, there are two ways to get the loan submission process started:

#### **1) I have a new loan request but am not sure if it is eligible**

Simply complete and submit our one page [Lightning Quote](#) form and either fax to (540) 548-1117 or email to [sales@ysploans.com](mailto:sales@ysploans.com). A loan analyst will contact you upon review to let you know if it is eligible. If so you will be directed to step 2 below.

#### **2) I have an eligible loan request and want to submit the full file**

As a way of protecting our referral sources we generate our [Commercial Loan Application](#) in a generic, broker friendly format. This is a writeable PDF document that you can forward to your borrower for completion. The first page provides a list of necessary items depending on the loan type, the second page is our general information form, and the remaining pages contain any supporting forms that you may need. Simply fax to (540) 548-1117 or email to [sales@ysploans.com](mailto:sales@ysploans.com). A loan analyst will contact you upon review to walk you through the rest of the process.

Should you have a question that this material does not address feel free to call (800) 710-6762 Opt 4 or email your question to [sales@ysploans.com](mailto:sales@ysploans.com).



# Eligible Property Types

## Owner Occupied

- |  |  |
|--|--|
| <ul style="list-style-type: none"><li>Office</li><li>Office Condo</li><li>Retail</li><li>Warehouse</li><li>Mixed Use</li><li>Assisted Living</li><li>Restaurant</li><li>Light Industrial</li></ul> | <ul style="list-style-type: none"><li>Automotive (no sales)</li><li>Daycare</li><li>Funeral Home</li><li>C-Store (No Fuel)</li><li>Dry Cleaner</li><li>Hotel/Motel*</li><li>Church*</li><li>Medical Office</li></ul> |
|--|--|

## Investment

- |   |   |
|---|---|
| <ul style="list-style-type: none"><li>Office</li><li>Office Condo</li><li>Strip Center</li><li>Medical office</li><li>Mixed Use</li></ul> | <ul style="list-style-type: none"><li>Retail</li><li>Warehouse/Distribution</li><li>Light Industrial</li><li>NNN Credit Tenant</li><li>Self Storage</li></ul> |
|---|---|

## Ineligible Property/Loan Types

Ineligible property types include but are not limited to:

- |  |  |
|--|--|
| <ul style="list-style-type: none"><li>Land</li><li>SRO Properties</li><li>Co-op or Timeshare</li><li>Adult Entertainment</li><li>Golf Courses</li><li>Auto Dealerships</li><li>Hotel/Motel</li></ul> | <ul style="list-style-type: none"><li>Agriculturally Zoned Property</li><li>Property outside the U.S.</li><li>Mobile Home Parks</li><li>RV Parks</li><li>Loans to foreign nationals</li><li>Construction loans on investment real estate</li></ul> |
|--|--|

\*These properties types would be syndicated to partner lenders and do not fall under our YSP program

[Link to Rate Sheet](#)

Griffin Capital Funding  
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(800) 710-6762 Option 4 • (540) 548-1117 fax  
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## Maximum LTV Quick Reference Table

Property Type	Max LTV	Limitations / Approval Requirements
<b>Generic</b>  Office, Office / Warehouse (Commercial & Industrial) Medical / Dental Office, Light Manufacturing & Industrial Anchored Retail / Mixed Retail with Office	<b>65%</b>	Dependent on Age, Quality, Location, Size and Strength
<b>Semi-Generic</b>  Unanchored Retail, Light Automotive Services Tire & Brake Centers, Grocery Stores Funeral Homes, New Automobile Dealers	<b>60%</b>	Dependent on Age, Quality, Location, Size and Strength
<b>Special-Use</b>  Bowling Centers, Restaurants, Oil / Lube Centers Assisted Living, School or Day Care Dry Cleaners, Self-Storage	<b>55%</b>	Dependent on Age, Quality, Location, Size and Strength
<b>Construction</b>  SBA 504 approval w/improvements SBA 504 approval w/improvements Conventional Generic Conventional Semi-Generic & Special Use	<b>80%</b> <b>75%</b> <b>65%</b> <b>55-60%</b>	If Multi-Purpose



## Core Program Underwriting Guidelines

### A. Conventional Owner Occupied Properties

- Owner occupied is defined as a property that is 51% or more occupied by the borrowers business
- Loan/Value Ratio not to exceed 65% (Up to 90% with seller carry).
- Up to 25 year amortization.
- Economic life of the property must exceed amortization by 5 years or more
- Minimum loan amount of \$500,000. (Smaller loans on a case by case basis). Maximum 1<sup>st</sup> TD loan amount of \$4,000,000.
- Minimum credit score of 650 with no recent adverse history. No prior bankruptcies or foreclosures allowed
- Minimum DSC ratio on multi use properties of 1.20x for purchase, 1.20x for refinance. Minimum DSC ratio of 1.30x for all special use properties
- Minimum of 3 years in operation with proven, competent management
- Management factor underwritten at 5%. Vacancy underwritten at the greater of actual or 10%.
- Cash out refinances typically not allowed unless proceeds are being used to improve the subject property, purchase other real property, or pay off other real property
- Ideally borrower has post close liquidity of 10% of the loan amount
- For refinances properties purchased within the last 5 years will be valued on their acquisition cost plus any documented improvement cost to the property

### B. Multi-Use Investor

- Loan/Value Ratio not to exceed 65% (Up to 85% with seller carry).
- Up to 20 year amortization.
- Economic life of the property must exceed amortization by 5 years or more
- Minimum loan amount of \$500,000. (Smaller loans on a case by case basis). Maximum loan amount of \$4,000,000
- Minimum credit score of 650 or greater with no recent adverse history. No prior bankruptcies or foreclosures allowed
- Minimum DSC ratio of 1.40x
- In multi-tenant properties, tenancy to include diverse range of services appropriate to location
- Occupancy levels consistent with the surrounding market
- Leases with less than six months' remaining term may be eliminated or discounted.
- Rollover costs to be calculated at market levels for tenant improvements and leasing commissions
- Prior investment property ownership of commercial real estate required

- Management underwritten at 5%. Vacancy underwritten at the greater of actual or 10% depending on area.
- We are not currently funding investment real estate in AL, AR, AZ, CA, FL, GA, IN, LA, MI, MS, NV or OH
- All investor properties valued for underwriting purposes based on a minimum cap rate of 8.5%. Upward and downward adjustments made depending on property class and location
- Cash out refinances not allowed unless proceeds are being used to improve the subject property, purchase other real property, or pay off other real property
- For refinances properties purchased within the last 5 years will be valued on their acquisition cost plus any documented improvement cost to the property
- Ideally the borrower has post close liquidity of 10% of the loan amount
- **Borrower must demonstrate the ability to service a minimum of 25% or the debt service of the subject property from discretionary cash flow**

### C. Special-Use Investor

- Loan/Value Ratio not to exceed 55% (Up to 80% with seller carry).
- Up to 20 year amortization.
- Economic life of the property must exceed amortization by 5 years or more
- Minimum loan amount of \$500,000. (Smaller loans on a case by case basis).  
Maximum loan amount of \$4,000,000
- Minimum credit score of 650 or greater with no recent adverse history. No prior bankruptcies or foreclosures allowed
- Minimum DSC ratio of 1.40x
- In multi-tenant properties, tenancy to include diverse range of services appropriate to location
- Occupancy levels consistent with the surrounding market
- Leases with less than six months' remaining term may be eliminated or discounted.
- Rollover costs to be calculated at market levels for tenant improvements and leasing commissions
- Prior investment property ownership of commercial real estate required
- Management underwritten at 5%. Vacancy underwritten at the greater of actual or 10% depending on area.
- We are not currently funding investment real estate in AL, AR, AZ, CA, FL, GA, IN, LA, MI, MS, NV or OH
- All investor properties valued for underwriting purposes based on a minimum cap rate of 8.5%. Upward and downward adjustments made depending on property class and location
- Cash out refinances not allowed unless proceeds are being used to improve the subject property, purchase other real property, or pay off other real property
- For refinances properties purchased within the last 5 years will be valued on their acquisition cost plus any documented improvement cost to the property
- Ideally the borrower has post close liquidity of 10% of the loan amount
- **Borrower must demonstrate the ability to service a minimum of 25% or the debt service of the subject property from discretionary cash flow**

#### **D. SBA 504 (Owner Occupied Only)**

- Combined Loan/Value ratio not to exceed 90% for multi use properties with the going concern business more than 2 years in operation, 85% for multi use properties with going concern business less than 2 years in operation.
- Combined Loan/Value ratio not to exceed 85% for special use properties with the going concern business more than 2 years in operation, 80% for special use properties with going concern business less than 2 years in operation
- Up to 25 year amortization for 1<sup>st</sup> TD, 20 year amortization for 2<sup>nd</sup> TD
- Minimum credit score of 650 or greater with no recent adverse history. No historical bankruptcies or foreclosures allowed
- Minimum DSC ratio of 1.20x for multi use, 1.30x for special use
- Current or prior management or business ownership required
- Ideally the borrower has post close liquidity of 10% of the loan amount
- Borrowers required to submit 2 years proforma financials (first year broken out monthly) with supporting assumptions

[Link to Rate Sheet](#)