

Dustin Frederick

From: Megan Wise [meganw@wibank.com]
Sent: Wednesday, October 31, 2012 3:11 PM
To: Dustin Frederick
Subject: RE: construction loan

Hi Dustin!

Boy, it's been a crazy week and I apologize for not getting back to you sooner! Here are the answers to your questions:

1. Loan rates are in the 5% range, so amortized over 25 years (with 10 or 15 year maturity), payments would be roughly:
 - a. \$1,050 per month for \$180K
 - b. \$1,170 per month for \$200K
2. Yes, commercial real estate loans often have pre payment penalties, however this, like all loan terms, can be negotiated. Generally we do a 5,4,2,3,2,1 structure which is: if you pay the loan of within the 1st year, the penalty is 5% of the balance; Pay off in the 2nd year the penalty will be 4% of remaining balance, 3rd year 3%, 4th year 2% and 5th year has a 1% penalty on the remaining balance
3. No, we will not require personal guarantees.
4. We will lend up to 75% loan to appraised value or 90% of the project cost, whichever is less.

Let me know if I provide anything else for you or answer any other questions that come up.

Thanks.

~Megan

Megan Bray Wise | Vice President | Commercial Loan Officer



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