

Walker & Dunlop Closes Two Acquisition Loans Totaling \$10,180,000 - Mississippi

Bethesda, Maryland – March 23, 2009 – Walker & Dunlop negotiated a \$5,500,000 loan for Chateau Bayou located in Ocean Springs, MS, and a \$4,680,000 loan for Magnolia Oaks located in Gautier, MS. Each loan was structured with a 7-year capped arm and a 30-year amortization, and underwritten to an 80 percent loan-to-purchase. The borrower selected the Freddie Mac Capped ARM program with a float over the 1-Month LIBOR. The Chateau Bayou loan features a starting note rate of 4.23% and the maximum note rate capped at 7%. Additionally, the borrower elected the more flexible prepayment structure of 3% in year 1, 2% in year 2 and 1% thereafter with the ability to convert to a fixed rate at any time during the life of the loan. The Magnolia Oaks loan features a starting note rate of 4.74% and a maximum note rate capped at 7.25%, and the borrower elected the 5-4-3-2-1 flexible prepayment structure.



Chateau Bayou is a 122-unit, garden multifamily property and was 95% leased at closing. Magnolia Oaks is a 109-unit, garden multifamily property and was 93% leased at closing.

John Levy, the principal in charge of acquisitions for LMS Real Estate Investment Management, LLC (LMS) stated, “LMS is very pleased with the acquisition of Chateau Bayou and Magnolia Oaks apartments. Both of these properties are extremely well located in the Gulf Coast market area. LMS intends to make improvements to both properties over the next several months which, we believe will enhance the residents’ rental experience and

we look forward to successful ongoing operations on behalf of LMS and our investors.”

Stephen Farnsworth, senior vice president, (504/585-0581, sfarnsworth@walkerdunlop.com) of Walker & Dunlop’s New Orleans office led the Walker & Dunlop team.

About Walker & Dunlop

Walker & Dunlop, established in 1937, is a real estate finance company and one of the largest multifamily lenders in the United States. The Multifamily and FHA Finance groups of Walker & Dunlop are focused on lending to property owners, investors, and developers of multifamily properties across the country. As a Fannie Mae DUST™, Freddie Mac Program Plus® and HUD* lender, Walker & Dunlop lends on most major multifamily Asset classes including market-rate apartments, affordable apartments, manufactured housing developments, seniors housing, and student housing. The Capital Markets and Principal Investments groups of Walker & Dunlop provide a broad range of advisory, financing, and investment services to clients across the Mid-Atlantic region. The company's professionals work with owners of commercial real estate (office, retail, hospitality, multifamily, and industrial) to structure the most appropriate financing solutions for their property. In 2008, Walker & Dunlop originated more than \$2.8 billion in commercial real estate financing. The company services over \$12 billion of commercial mortgages and asset manages over 1,300 properties across the country. Additional information on Walker & Dunlop can be found at www.walkerdunlop.com.

**Walker & Dunlop funds its HUD loans through Column Guaranteed.*

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