



COMMERCIAL  
LENDING  
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## Bond Structured Financing

Bond financing is the "new" funding mechanism for large commercial real estate projects and features loans based upon rated securities. For "A" properties secured by letters of credit (LOC) which provide the credit enhancement for an "A" or better rating. Bonds access funds from private and institutional investors through the sale of a security. Because of this spreading of the risk our Investment Banker's bond guidelines can be more flexible than Banks, the CMBS market, Insurance Companies, Pension Funds or any other conventional lenders.

### Features:

- \$8 million to \$100 million. Case by case down to \$5 million.
- Western U.S. primarily, and nationwide considered on a case-by-case basis
- Purchases, Refinances and Construction/Perm loans
- Up to 100% financing
- Multifamily, Senior Housing, Student Housing, Assisted Living, Charter Schools
- Tax exempt bonds for municipalities, public related service providers and hospitals
- Funds just missed FNMA, FHLMC and FHA/HUD loans

### Basic Underwriting Guidelines:

- 75% LTV (Stabilized value for construction projects)
- Typically 85% LTC
- 1.10X DSCR at the underwriting interest rate using a 30-year amortization

### To submit for review:

- Executive Summary
- Property Photos, interior and exterior for existing properties
- Current 2 years taxes on entity and or extension
- Credit report for principals with 20% or more ownership
- Current property Balance Sheet & latest interim Income Statement dated within 60 days
- Current personal financial statement for any principal with 20% or more ownership
- Current two years personal tax returns for principals with 20% or more ownership
- Current Rent Roll

### For Construction Loans:

- Pro-forma Income & Expense Statement
- Sources and Uses with detailed construction cost breakdown
- Construction and Draw Schedule
- Entitlement information
- Project renderings and site plan
- Developer resume'
- Contractor information
- Completion/Performance Bond information
- Appraisal
- Feasibility & Market Study



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## Hedge Fund Program Bridge, Turn-Around, Stabilization

**Loan Amounts:** \$10 million - \$550 million

**Loan Term:** 2 – 6 years

**Recourse:** Typically, most deals are recourse deals.

**Prepayment:** Loans generally may be prepaid at any time after 2 years without penalty. Prepayment penalties may be required for shorter terms.

**Loan to Value:** Loan amounts can be up to 75% of the Bank's approved appraised value.

**Loan Rates:** Rates start at Wall Street Journal Prime + 3% depending on the collateral type and risk. Loans are generally interest only and highly leveraged loans may contain an equity kicker or additional fees.

**Origination Fee:** Two percent

**Loan Collateral:** Land, land development loans and other property types (e.g., hotels and special purpose properties) whose special circumstances disqualify them from lowest-rate financing. Can be used as a "bridge loan" on traditional multi-family, retail and office properties that need to be "turned-around" before they can qualify for conventional loan underwriting.

**Loan Flexibility:** We strive to tailor a loan structure to fit *your* deal, unlike so many other institutions that require your deal to fit *their* structure.