

# ***BUSINESS LOAN \$ TORE***

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## **Multifamily Conventional Construction Program**

- Major Markets Nationwide
  - \$5,000,000 minimum loan size \$100,000,000 maximum
  - 75% LTC maximum loan to cost/ 70% LTV subject to underwritten cash flows
  - 36 month term
  - Interest only
  - Construction to Permanent Loan Option is available
  - 30 Day Libor plus a spread of 350 basis points with a floor starting at 5.5%.
  - Maximum loan sizing will be based on the proforma NOI underwritten with a 6-7% rate over a 25-30 year amortization period and a minimum DSCR equal to 1.25x to 1.30x
  - Full recourse to all individuals owning 10% or more of the borrowing entity. (Partial recourse, corporate guarantees, release provisions are considered on a case by case basis)
  - No prepayment penalty
  - Loan fees 1% to 2%
  - Third party reports, legal, title, escrow and all other standard closing costs are the full responsibility of the borrower. An expense deposit will be required at the time of a formal loan offer.
- Qualifications:
- Construction plans must be completed and the final project approvals must be received.
  - the project must be in a position to pull building permits.
  - General Contractor must qualify for a performance bond
  - Net worth of the principals equal to 1.5 times loan request or more.
  - Principals of the borrower must have a minimum of 15% – 20% cash liquidity / marketable securities over and above the cash equity that is being invested in the project
  - Principals of the borrower must have minimum fico scores of 700
  - Principals of borrower must have a minimum global DSCR equal to 1.25x
  - There shall be no risk of maturing notes within the borrowers global real estate analysis

In order for us to proceed to a formal loan offer we will need to review the following information:

- Current dated business financial statements and personal financial statements on the individuals of the borrowing entity
- Global Schedule of Real Estate Owned by the principals of the borrowing entity (sample schedule attached)
- Recent credit report for the principals of the borrowing entity
- Itemized construction budget indicating total project costs, costs paid to date and costs to be paid. (sample form attached)
- Proposed drawdown schedule during construction and lease up
- Operating proforma through lease up and stabilization
- Recently completed market / feasibility study if available
- Copy of project approvals
- Bio's on the entire project team (General contractor, architect, engineer, leasing and marketing firm, project manager, etc)
- Architect renderings of the project
- Digital photos of the subject site and surrounding area

Terry Painter/President  
Business Loan Store  
Mortgage Banker