

Credit Tenant Lease – Private Placement Loan Program



Funded Forward Loan Program (Developer Program)

Our Funded Forward Loan Program is an ideal program for developers to use as a one-stop program for construction and permanent financing for Credit Tenant properties. You are able to use one lender for both construction and permanent loan with one set of loan documents and overall reduced costs.

Here's how it works:

- Funded Forward program is available for all CTL lease types - Bondable, NNN or NN.
- Letter of Credit (provided by a bank with a minimum rating of "A" by S&P and/or Moody's) is required by Lender/Bond Investor during construction of the property for the amount of the loan plus six month's interest. If the lease contains a "date certain" for rent commencement, the Letter of Credit is not required.
- The Lender funds loan proceeds to the bank pursuant to the acceptance of the Letter of Credit. Loan proceeds are available for use in construction of the property. The bank administers the construction draws under an approved construction loan agreement.
- The bank issuing the Letter of Credit has a first lien on the property during construction and the Lender/Bond Investor's primary collateral is the Letter of Credit.
- The loan is interest-only during the construction period.
- The loan term includes the construction period plus the initial lease term.
- No additional rate spread is added for the forward component of the loan. The average life of the loan increases by the length of the interest-only period.
- At rent commencement and after receipt of all due diligence items (estoppel, architect's certificate of completion, etc.), the Letter of Credit is released and the first lien on the property is assigned to the bond investor.

Primary advantages of the Funded Forward Loan Program

One lender for both construction and permanent loan - reduced fees	Lower "all in" cost of capital
One set of loan documents - overall reduced closing costs	Rate lock at Commitment, which occurs within 2-3 weeks of Applications - Locks in ROI



*Where Focused Thinking
Yields Superior Results*

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