

Credit Tenant Lease – Private Placement Loan Program



Credit Tenant Leased Properties Acquisition or Refinance

Property Types: Investment-grade, single tenant retail; corporate office; industrial (warehouse/distribution, etc.) leased properties. Rated “BBB-/Baa3” or better by Standard and Poor’s and Moody’s. Portfolios encouraged.

Loan Term/Amortization: Typically co-terminous with remaining Lease term.

Preferred Loan Sizing: \$2 million to \$300 million.

Maximum Loan Amount: No traditional LTV restrictions. Not to exceed 100% LTV.

1. Up to 100%* of appraised value/purchase price; or
2. 1.00-1.05* debt service coverage

* Depending on type of Lease, tenant rating, remaining Lease term, etc..

Lease Type: Bond, Triple-Net (NNN), Double-Net (NN) and Ground. Ground Leases must be without landlord obligations (NNN).

Interest Rate: Determined by market rates at the time of rate lock. “On-the-run” United States Treasury (matched to average life) plus a spread

Rate Lock: Locked at Commitment.

Personal Liability: None, except for standard exceptions to non-recourse, which are the responsibility of the Key Principal(s).

Assumability: Assumable, subject to Lender approval and a 1% transfer fee.

Prepayment: Yield maintenance plus 50 bps. No lockout period.

Secondary Financing: Not permitted.

Escrows: Dependent upon landlord obligations

Residual Value Insurance: Required for amortization beyond loan term.

Lease Enhancement Insurance: If required ~ 40 bps one-time cost at closing. is required any time the tenant has a termination right in the event of a condemnation or casualty

Third Party Reports: Appraisal and Environmental (plus seismic if in earthquake zone). Engineering Report not required

Loan Fee: 0.50% (50 bps).

Closing Expenses: Standard transaction costs, including legal fees, title insurance and survey.

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Preliminary Submission Package: Include the following in your request for a loan quote:

1. Property description
2. Lease abstract or copy of the Lease
3. Sponsor resume, if available



*Where Focused Thinking
Yields Superior Results*

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