

DUS Lender Affiliate

Description

A DUS Lender Affiliate ("DLA") Mezzanine Loan is a subordinate loan funded simultaneously with a newly originated Greystone Fannie Mae DUS loan ("Senior Mortgage"). The loan is secured by a 100% pledge of the equity interests in the Borrower. Non-recourse, subordinate financing of multifamily properties.

Loan Amount

\$1,000,000 minimum. Senior Mortgage minimum of \$10,000,000.

Term

Up to 10-year terms available. Coterminous with the Senior Mortgage

Combined Loan to Value Maximum

85% of appraised value

Combined Coverage Minimum

1.10x based on a 30-year amortization on both the Senior Loan and Mezzanine Loan

Amortization

Interest-only

Mezzanine Borrower

Newly formed SPE, bankruptcy remote Delaware single-member LLC, owned and controlled by the Sponsor

Collateral

Pledge of the equity of the Senior Mortgage borrower, secured by UCC filing. Eagle 9 title policy is required

Interest Rate

Generally, 13-15% fixed rate coupon varying with LTV, DSCR, market and sponsor. Senior Mortgage must have a fixed interest rate.

Prepayment Terms

Lockout period of 12 months. Can be prepaid before A Note.

Supplemental Financing

Allowed on the Senior Mortgage; proceeds shall be utilized to pay off the Mezzanine Loan.

Third Party Reports

Mezzanine loan will rely on Senior Mortgage Loan third-party reports. As-Stabilized Appraisal Value required.

Reserves

Generally limited to reserves stated in the Senior Mortgage Loan Agreement, unless specifically stated otherwise

Application Deposit

\$15,000+

Origination Fee

1%-2%

Exit Fee

1%-2%, generally waived upon Greystone refinance.

Recourse

Nonrecourse (customary non-recourse carveouts)

Timing

Mezzanine closing simultaneous with Senior Mortgage.

Assumability

Loan is assumable, subject to lender(s) approval of proposed replacement borrower in its sole discretion.

References to the term "Greystone," refer to Greystone & Co. II LLC and/or its affiliated companies, as applicable. Loans are offered through Greystone Funding Company LLC, Greystone Servicing Company LLC, and/or other Greystone affiliated companies. The information contained herein does not set forth all of the terms and conditions of any interim or permanent financing. The information contained herein is subject to change and Greystone assumes no duty to update such information. This summary is for informational purposes only and does not create or imply, and Greystone shall not have, any obligation or commitment to make any loan or provide any financing. Any commitment by Greystone with respect to financing is contingent upon the completion of due diligence and approval by Greystone's credit committee, all in Greystone's sole discretion. 0325