

## Advantages

- “One-Stop Shop” if looking for FHA or Agency permanent debt but need short-term bridge financing
- Fast Closing to facilitate purchase or maturing existing debt
- No exit fee if financing originated via Greystone’s permanent debt options

## Loan Purpose

This program is specifically designed for properties that are either stabilized or are in need of minor to moderate renovation or other value-add strategy.

Our bridge loan program can be used to finance stabilized properties while Greystone underwrites the permanent financing or fund moderate rehabilitation or retenanting where the Borrower requires to complete a value add strategy before securing permanent financing through an FHA, Fannie Mae, and Freddie Mac execution.

## Eligible Properties

Multifamily and manufactured housing communities.

## Loan Amount

\$10,000,000 - \$100,000,000 (larger upon request)

## Deal Structure

Variable rate first mortgage

## Term

Typically up to 3 years (including extensions)

## Amortization

Interest-only (some amortization may be required after first two years of term)

## Interest Rate

Interest generally at a floating rate, specified as a competitive market rate spread over a SOFR floor.

## Rate Index

1-Month CME Term SOFR.

## Loan Commitment Fees

0.50% to 1.0%

## Application Fees / Deposits

\$15,000 per property non-refundable processing fee (fee depends on loan size and complexity) plus approximately \$20,000 per property escrow deposit to cover the cost of the appraisal, structural/engineering, and environmental reports, travel and due diligence.

## Interest Rate Management

Borrower shall purchase an interest rate cap for the duration of the initial loan term at strike rate to be determined during due diligence. Counterparty must be rated A2/A.

## Prepayment / Exit Fees

Generally, the loan will be open to prepayment after six months subject to the payment of an exit fee. The exit fee shall be waived if Greystone provides permanent financing.

## Borrower Recourse

Typically non-recourse with standard carve-outs for environmental, bankruptcy, fraud and misapplication of funds, etc.; Partial recourse and/or operating deficit and completion guaranty may be required for properties undergoing more significant renovation.

## Maximum LTV

Up to 90.0% of current value and 80% of stabilized value.

## Minimum Debt Service Coverage

The loan amount is sized such that the DCR will provide a minimum coverage of 1.00x at the actual "interest only" rate. The loan amount is also sized based on sufficient evidence that rents can be increased to provide sufficient cash flow to support a DCR at a minimum stressed constant of 1.25x on multifamily properties (including MHC's). An interest reserve may be required.

## Equity Requirements

Typically not less than 10.0%-15.0% cash equity.

## Escrows

Taxes, Insurance and Replacement Reserves.

## Third Party Reports

MAI Appraisal (expanded or separate market study may be required for properties with a value-add component); Environment Phase I and Engineering/Structural Report prepared by approved professionals.