

# Preferred Equity Program

GREYSTONE

## Common Market Terms

	Agency Preferred Equity <sup>(1)</sup>		Preferred Equity Behind Bridge Loans		Preferred Equity Behind Construction Loans
<b>Investment Amount</b>	\$2-10M	>\$10M	\$4-10M	>\$10M	>\$10M
<b>Markets:</b>	National		National		National
<b>Target LTV (2):</b>	75-80%+		75-80%+		75-85%+
<b>Total Rate:</b>	11-14%	10-14%	13-15%	10-14%	14-18%+
<b>Current Pay Type:</b>	Hard Pay, Hybrid		Soft Pay		Soft Pay
<b>Current Pay Rate:</b>	5-8%+		6-9%+		6-8% (accrued or current pay reserve)
<b>Minimum DSCR (3):</b>	1.05x		Varies		Varies
<b>Term:</b>	Coterminous with senior loan; 3-10 years		Coterminous with senior loan; 1-5 years		Coterminous with senior loan; 2-5 years
<b>PE Amortization:</b>	Interest Only		Interest Only		Interest Only
<b>Minimum Multiple:</b>	1.20-1.50x		1.20-1.50x		1.20-1.50x
<b>Origination Fee (4):</b>	Up to 3%		Up to 3%		2 - 3%+
<b>Recourse:</b>	Non-recourse subject to market-standard carve-outs		Non-recourse subject to market-standard carve-outs		Non-recourse subject to market-standard carve-outs
<b>Investor Rights and Remedies:</b>	Buy Out/Forced Sale of Ownership Interests Change of Control, and Change of Property Manager		Buy-Sell Transfer due to material default.		Buy-Sell Transfer due to material default.

- (1) Preferred equity behind Freddie Mac loans will have a mandatory hard current pay and accrual feature. Preferred equity behind Fannie Mae will have a soft current pay and accrual feature.
- (2) Freddie Mac senior mortgage plus preferred equity must not exceed 90% LTV.
- (3) Freddie Mac's underwritten NOI divided by the sum of the amortizing senior mortgage plus the preferred equity current rate must be at least 1.05x DSCR. If Fannie Mae reviews the preferred equity as truly soft preferred equity, then there is no sizing constraint. Greystone Equity will still size at a minimum DSCR of 1.01x due to investor risk rights and remedies for Fannie Mae.
- (4) Greystone Equity Services will also charge up to 1% - 1.5% of the preferred equity amount on agency deals and 1.5% - 2.5% on all other equity

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. Pricing & Terms Subject to change based on market. This is not an offer or commitment by Greystone. This is an approximation of what current terms are in the market. All securities transactions are effected through INTE Securities LLC dba Greystone INTE BD, member FINRA ([www.finra.org](http://www.finra.org)) / SIPC ([www.sipc.org](http://www.sipc.org)). To view INTE Securities LLC, go to [www.finra.org/brokercheck](http://www.finra.org/brokercheck). 0326