

Red Oak is an investor-driven commercial debt fund sponsor that provides short-term financing solutions on commercial real estate assets nationally. Our experienced team of capital markets and lending experts are adept at applying institutional-caliber underwriting standards to small-balance sheet loans.

PARTICIPATING MORTGAGE PROGRAM

PROGRAM DESCRIPTION

Higher-leverage, fixed-rate bridge lending program for commercial real estate assets that have a substantial value-creation component. The loan includes an equity component in exchange for a percentage of the value creation realized in the project at sale or refinance.

WHY CONSIDER THIS PROGRAM?

- You have a credit tenant in place under a fully-executed lease
- You need equity provided by the lender
- You are seeking short-term funding to rehabilitate/reposition an asset
- You need flexible, non-permanent capital to implement an expansion, renovations or conversion on a core commercial real estate asset

WHY CHOOSE RED OAK?

Red Oak will take on some of the project risk, while your deal is fully, or almost fully, financed.

GARY BECHTEL, Chief Executive Officer

gbechtel@redoakcapitalholdings.com

www.RedOakCapitalHoldings.com

PARTICIPATING MORTGAGE PROGRAM

PROPERTY TYPES	Multifamily, Industrial, Retail, Mixed Use, Hospitality, Medical Office, Self Storage, Manufactured Housing
LOAN AMOUNT	\$1 Million to \$15 Million
LOAN PURPOSE	Expansion, Rehabilitation, Conversion, Situational
ASSET LOCATION	Primary, Secondary & Select Tertiary Markets with a Minimum Population of 50,000 to 100,000
MAXIMUM LTV / LTC	Up to 75% LTV (based on stabilized value) Up to 100% LTC (based on transaction underwriting)
INTEREST RATE	Starting at 10.99% fixed rate (interest only)
LOAN TERM	1 to 3 Years
EXTENSIONS	Extension Provisions
ORIGINATION & EXIT FEES	3 to 5 Points to Lender 15% to 25% Participation in Value Creation (on a case-by-case basis)
LIEN POSITION	Senior Position (secondary financing prohibited)
CAPEX HOLDBACK	Full Funding with Holdback
RECOURSE	Full/Limited Recourse
TIMING TO CLOSE	30 to 45 Days from Application
AMORTIZATION	Interest Only
TARGETED RETURNS	18% to 25% Unlevered IRRs
MINIMUM INTEREST	Minimum interest pre-payment penalty, generally half of initial term
TI / LC / REHAB FACILITY	Future funding facility toward tenant improvements, leasing commissions and rehab costs
DEPOSITS	Expense deposit adequate to cover third-party reports, legal fees and other customary deal costs

GARY BECHTEL, Chief Executive Officer

gbechtel@redoakcapitalholdings.com

www.RedOakCapitalHoldings.com