

Red Oak is debt fund sponsor that specializes in providing short-term, structured financing solutions on commercial real estate projects in primary, secondary and select tertiary markets. Our experienced team of capital markets and lending experts applies institutional-caliber underwriting standards to small-balance sheet loans.

30+

Years of Licensed
Lending Experience

150+

Years of Combined
Commercial Real
Estate Experience

\$5B

Originated,
Underwritten & Closed
in Past 10 Years

8

Down-Cycles
Managed

OPPORTUNISTIC BRIDGE LOAN 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 a small equity component in the form of a higher LTC in exchange for a higher interest rate and exit fees.

WHY CONSIDER THIS PROGRAM?

- You're seeking short-term funding to rehabilitate, reposition or stabilize an asset
- You need financing with an equity component provided by the lender
- You need flexible, non-permanent capital to implement a conversion, expansion or renovation of a core commercial real estate asset

WHY CHOOSE RED OAK?

Red Oak can, depending on the upside potential, provide a higher LTC (providing equity the borrower does not have to raise) than many other small-balance bridge lenders in the market.

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GARY BECHTEL, Chief Executive Officer

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OPPORTUNISTIC BRIDGE LOAN PROGRAM

PROPERTY TYPES	Multifamily, Industrial, Retail, Mixed Use, Hospitality, Office, Medical Office, Self-Storage, Manufactured Housing
LOAN AMOUNT	\$1 Million to \$15 Million
LOAN PURPOSE	Acquisition, Refinance, Conversion, Rehabilitation, Situational, Stabilization
PROPERTY LOCATION	Primary, secondary & select tertiary markets with a minimum population of 50,000 to 100,000 people
MAXIMUM LTV/LTC	Up to 75% LTV (based on stabilized value) Up to 90% LTC (based on transaction underwriting)
INTEREST RATE	Starting at 9.99% (interest only)
LOAN TERM	1 to 3 Years (fully extended)
EXTENSIONS	Periods of 6 to 12 months, available at market extension fees depending on business plan
ORIGINATION FEES	2 to 4 points to lender
EXIT FEES	Exit fees based on required yield (on higher LTC transactions)
LIEN POSITION	Senior Position (secondary financing prohibited)
FUNDING STRUCTURE	Full funding with holdback
RECOURSE	Full/Limited & Non-Recourse
TIMING TO CLOSE	30 to 45 days from acceptance of LOI and receipt of deposits
DEBT SERVICE RESERVE	Below 1.00x DSCR acceptable if supported by a debt service reserve (cash-flowing assets preferred)
PREPAYMENT PENALTY	Minimum interest, generally half of initial loan term
TI/LC & FUTURE ADVANCES	Future funding facility toward tenant improvements, leasing commissions, rehabilitation and conversion costs
DEPOSITS	Expense deposit adequate to cover costs for third-party reports, legal fees and other customary due diligence or underwriting costs

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