

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

## PARTICIPATING 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 larger equity component in exchange for a percentage of the value creation realized in the project at sale or refinance.

### WHY CONSIDER THIS PROGRAM?

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

### WHY CHOOSE RED OAK?

Red Oak will take on a substantial amount of the project risk, while your loan is fully, or almost fully, financed in exchange for a participation in the property's upside.

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**GARY BECHTEL, Chief Executive Officer**

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# PARTICIPATING BRIDGE LOAN PROGRAM

<b>PROPERTY TYPES</b>	Multifamily, Industrial, Retail, Mixed Use, Hospitality, Office, Medical Office, Self-Storage, Manufactured Housing
<b>LOAN AMOUNT</b>	\$1 Million to \$15 Million
<b>LOAN PURPOSE</b>	Acquisition, Refinance, Construction, Conversion, Rehabilitation, Situational, Stabilization
<b>PROPERTY LOCATION</b>	Primary, secondary & select tertiary markets with a minimum population of 50,000 to 100,000 people
<b>MAXIMUM LTV/LTC</b>	Up to 75% LTV (based on stabilized value) Up to 100% LTC (based on transaction underwriting)
<b>INTEREST RATE</b>	Starting at 11.99% fixed rate (interest only)
<b>LOAN TERM</b>	1 to 3 Years (fully extended)
<b>EXTENSIONS</b>	Periods of 6 to 12 months, available at market extension fees depending on business plan
<b>ORIGINATION FEES</b>	3 to 5 Points to Lender
<b>EXIT FEES</b>	15% to 25% participation in value creation (based on specific transaction)
<b>LIEN POSITION</b>	Senior Position (secondary financing prohibited)
<b>FUNDING STRUCTURE</b>	Full funding with holdback
<b>RECOURSE</b>	Full/Limited Recourse
<b>TIMING TO CLOSE</b>	30 to 45 days from acceptance of LOI and receipt of deposits
<b>DEBT SERVICE RESERVE</b>	Provided based on transaction underwriting
<b>PREPAYMENT PENALTY</b>	Minimum interest, generally half of initial loan term
<b>TI/LC &amp; FUTURE ADVANCES</b>	Future funding facility toward tenant improvements, leasing commissions, rehabilitation and conversion costs
<b>DEPOSITS</b>	Expense deposit adequate to cover costs for third-party reports, legal fees and other customary due diligence or underwriting costs

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