

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.

50

Years of Licensed
Lending Experience

170

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.

ROCH-ParticipatingBridge-10.14.22

GARY BECHTEL, Chief Executive Officer

gbechtel@redoakcapitalholdings.com

www.RedOakCapitalHoldings.com

PARTICIPATING 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, Construction, 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 100% LTC (based on transaction underwriting)
INTEREST RATE	Starting at 11.99% fixed rate (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	3 to 5 Points to Lender
EXIT FEES	15% to 25% participation in value creation (based on specific transaction)
LIEN POSITION	Senior Position (secondary financing prohibited)
FUNDING STRUCTURE	Full funding with holdback
RECOURSE	Full/Limited Recourse
TIMING TO CLOSE	30 to 45 days from acceptance of LOI and receipt of deposits
DEBT SERVICE RESERVE	Provided based on transaction underwriting
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

GARY BECHTEL, Chief Executive Officer

gbechtel@redoakcapitalholdings.com

www.RedOakCapitalHoldings.com