

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

230

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, floating-rate bridge lending program for commercial real estate assets that have a substantial value-creation component. The loan may include 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, convert, 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 provide/raise) than many other small to mid- balance bridge lenders in the market.

GARY BECHTEL, Chief Executive Officer

gbechtel@redoakcapitalholdings.com

www.redoakcapitalholdings.com

OPPORTUNISTIC BRIDGE LOAN PROGRAM

PROPERTY TYPES	Multifamily, Industrial, Retail, Mixed Use, Hospitality, Office, Medical Office, Self-Storage, Manufactured Housing
LOAN AMOUNT	\$1 Million to \$10 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	1-Month Term SOFR plus 600BPs – 700BPs (interest only)
LOAN TERM	1 to 3 Years (fully extended)
FLOOR / RATE CAP	The rate/floor will be set at the closing of the loan. No Rate Cap will be required
EXTENSIONS	Up to four (4) extensions of 6 months each, at market extension fees
ORIGINATION FEES & EXIT FEES	Market competitive fees based on the loan size, leverage, complexity and timing of the transaction
LIEN POSITION	Senior Position (secondary financing prohibited)
FUNDING STRUCTURE	Full funding with holdback
RECOURSE	Non-recourse, other than standard “bad boy acts” or recourse structure for higher-risk transactions
TIMING TO CLOSE	Typically 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 and other approved 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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