

LESMARK

LesMark Capital, LLC

CREDIT TENANT LEASE (CTL) BOND LOAN PROGRAM

Collateral	First deed of trust (Mortgage) on the property being financed, assignment of leases and rents and/or guarantee from credit tenant.
Loan Types	Immediate funding, permanent, fixed rate loans. A construction loan can be combined with the permanent loan with the use of a letter of credit or date-certain rent commencement, allowing the interest rate to be fixed at the beginning of the construction period (see our Construction Funded Forward Program). Forward commitments with a fixed interest rate may be available on a case-by-case basis depending on the lease and the credit being financed.
Property Types	Single tenant properties occupied by tenants that are typically investment grade (S&P BBB-, Moody's Baa3 or shadow rated NAIC 2) or better. Properties occupied by tenants not rated or rated below investment grade (BB+ and lower) may be financed on a case-by-case basis. Almost any property type can be financed under this program.
Locations	Nationwide and selective international locations considered.
Lease Requirements	Bond net, triple net or double net leases (landlord responsibilities will be reserved and/or insured). Lease payment hard lockbox required.
Ownership	Must be a bankruptcy-remote special purpose entity (SPE), typically a LLC.
Loan Amount	\$2,500,000 and up.
DCR / LTV / LTC	1.00x to 1.05x depending on tenant rating and lease terms and conditions / Up to 97% of appraised value. No loan to cost restrictions – can exceed 100%.
Interest Rate	Fixed interest rate for the loan term, locked at commitment.
Expenses	Third party reports (appraisal, environmental, survey, title, and credit); lender's legal fees; property inspection and underwriting fee of \$2,500, trustee fee beginning at \$4,000, increasing with the size of the transaction.
Term	Term of financing is coterminous with initial lease term, typically 10-30 years. Shorter terms are available on certain assets qualifying under our balloon loan programs.
Amortization	Typically fully amortizing over the lease term on a 30/360 basis, though an amortization period longer than the lease term may be available under our balloon loan programs.
Guaranty	Non-recourse except for standard non-recourse carve-outs (fraud, misrepresentation, environmental, etc.)
Reserves	Tax, insurance, and/or structural/maintenance reserves may be required depending on the lease. Reserves are typically waived for NNN leases. Cash or Letter of Credit holdbacks may be required for landlord warranty and project completion and punchlist items.
Prepayment	Prepayment is generally open for the loan term with a yield maintenance prepayment premium payable thereafter that is based on U.S. Treasuries + 50 basis points.