

# LESMARK

## LesMark Capital, LLC

### BALLOON (REAL ESTATE) CTL LOAN PROGRAM

<b>Collateral</b>	First deed of trust (Mortgage) on the property being financed, assignment of leases and rents.
<b>Loan Types</b>	<b>Immediate funding</b> , permanent, fixed rate loans. <b>Forward commitments</b> with a fixed interest rate may be available on a case-by-case basis depending on the lease, the credit being financed, and current market conditions.
<b>Property Types</b>	Single tenant properties occupied by tenants that are typically investment grade (S&P BBB-, Moody's Baa3) or better. Examples include retailers, manufacturers, corporate office buildings, industrial buildings, healthcare providers and hospitals, governments and municipalities, utilities, telecommunications, and colleges and universities. Properties occupied by tenants not rated or rated below investment grade (BB+ and lower) may be financed on a case-by-case basis.
<b>Locations Considered</b>	Nationwide.
<b>Lease Requirements</b>	Bond, net or gross leases (landlord responsibilities and cash obligations will be underwritten and reserved).
<b>Ownership</b>	Corporations, LLC's, partnerships, individuals; must be a single purpose entity, which must be bankruptcy remote.
<b>Loan Amounts</b>	\$1,000,000 and up.
<b>DCR / LTV</b>	1.30x depending on tenant rating and lease terms and conditions / Up to 75% of value or cost.
<b>Interest Rate</b>	Fixed interest rate for the loan term, spread typically locked at commitment.
<b>Expenses</b>	Third party reports (appraisal, environmental, PCR, survey, title, and credit); lender's legal fees; property inspection and underwriting fee of \$2,500 - \$5,000 depending on the size and location of the transaction.
<b>Term</b>	Typically 5-10 years. Other terms, including self liquidating loans, are available on a case by case basis.
<b>Amortization</b>	30/360 or Actual/360 basis over 25-30 years, depending on the credit, property location and the term of the underlying lease.
<b>Guaranty</b>	Non-recourse except for standard non-recourse carve-outs (fraud, misrepresentation, environmental, etc.)
<b>Reserves</b>	Most reserves are waived for NNN leases. Typically investors will require some replacement reserves (usually \$0.15/sf per year), as well as tenant improvement and leasing commission for shorter lease terms.
<b>Prepayment</b>	Prepayment is generally prohibited for a portion of the loan term (2-4 years) with defeasance or yield maintenance for the life of the loan.