

OFFICE OVERVIEW

Eligible Properties:	Central Business District and suburban multi-tenant, single tenant and credit tenant office properties are preferred. Requires stabilized occupancy and income for long term debt coverage. Bridge loans and short term debt available for un-stabilized properties or repositioning opportunities.
Eligible Property Locations:	Nationwide; located on main roadways with good visibility and access, or in an established office park. Prefer locations in primary office market areas or with a demonstrated ability to compete and re-lease space at market rates. Require solid market strength as is determined by, among other factors, absorption and trends in population and employment.
Loan Types:	Acquisition, Development, Constructions, and Refinance. Mostly financed entirely by conventional lender- eligible for SBA if owner occupies at least 51% of property.
Loan Size:	\$1M to \$10 Million
Debt Service Coverage Ratio:	Generally, 1.20, depending on the quality of the location and market.
Loan-to-Value Ratio:	Up to 90% maximum LTV.
Loan Term:	5 to 30 years
Amortization:	Full amortization over term or balloon payments allowed
Interest Rates:	Conventional rate is pegged to the 30 day LIBOR or similar index, and can range from 1.5% to 3% over LIBOR, fixed for 5 or 10 years. SBA rates are based off the Prime Rate.
Fees:	<p>Reliant Capital Funding Fees: We will price adjust our fees according to level of difficulty and other underwriting considerations- typically 1-2% of the loan amount- paid only if a Commitment Letter is issued.</p> <p>Third Party Fees: The following fees can be included in the financing. An appraisal report can cost \$5000. A Phase 1 environmental can cost \$2000. A survey, and title search is also the responsibility of the borrower.</p>
Tenancy:	Multi-tenant properties with long leases and/or staggered lease expiration dates or credit-tenant properties will command the most competitive rate structures however; lower occupancy may represent a significant value added opportunity generating aggressive short term funding rates. Loans for single tenant properties will be dependent on the history and financial strength of the tenant business and typically amortize over the life of the lease term. May require higher coverage/reserves, depending on borrower's strength.

NOI Calculation: Strongly prefer to receive three full years of operating history

Rent revenue is the lesser of the contractual base rents or current market rents. Expense recovery must reflect the stabilized operating history of the project. Minimum vacancy of 5% or sub-market average. Recoveries on NNN rents must be consistent with market.

Rent Roll: Prefer smooth lease expiration schedules so that the debt coverage ratio in any given year does not fall below break-even. May consider properties with significant rollover risk on a case-by-case basis. Tenants not occupying space and paying full rent for at least 3-months will require a seasoning reserve equal to 3-months' rent.

Management Fee: Minimum management fee of 5% of effective gross income. Single tenant buildings that are fully maintained and managed by the occupant can be underwritten at a 3% management fee.

Reserves: \$.10 to \$.25 per square foot for structural reserves depending on property age and condition and adjusted in accord with the engineering report. Determine Tenant Improvement and Leasing Commission reserves from the rollover schedule and market averages.

Pre-Application (Term Sheet) Punch List		
REQUIREMENT	PENDING	RECEIVED
Complete the 'Information Request Form' on the next page*	X	
If financing is for:	X	
<u>Acquisition:</u> Purchase & Sale Agreement or Letter of Intent		
<u>Refinance:</u> Original purchase price, date of acquisition, summary of current financing		
<u>Construction:</u> Projected construction costs, timeline, GC experience		
Financial statement for 3 years with monthly breakdowns- current YTD financial statement	X	
2 Years Personal Tax Returns from each borrower	X	
Personal Financial statement from each borrower**	X	
Management Resume**	X	
Photographs of interior and exterior***	X	
Copy of current lease***	X	

* RCF can take this information from you over the phone if you desire

** RCF will help you create if needed

*** Preferred if available

OFFICE INFORMATION REQUEST FORM

Applicant Information									
Applicant Name									
Address									
City			State			Zip			
Phone			Fax		Email				
Location Information									
Address									
City			State			Zip			
Number of Buildings				Land Area (1 Acre = 1.0)					
Square footage of building(s)				Total Stories					
Total Parking Spaces				Year Built _____			Renovated <input type="checkbox"/> Year _____		
Management Company <input type="checkbox"/> Yes (name): _____ <input type="checkbox"/> No									
Owner Occupied <input type="checkbox"/> Yes (# yrs) _____				<input type="checkbox"/> No			3 years tax returns available <input type="checkbox"/> Yes <input type="checkbox"/> No		
Ownership									
Name				Title			Ownership %		
1									
2									
3									
Loan Information									
Purpose <input type="checkbox"/> Acquisition <input type="checkbox"/> Refinance <input type="checkbox"/> Construction <input type="checkbox"/> Other: _____									
If Acquisition, is property under contract? <input type="checkbox"/> Yes (closing date): _____ <input type="checkbox"/> No									
Estimated Project Costs (fill out only the fields that apply to your Purpose)									
Land Value (new construction only)				\$					
Construction Costs (new construction only)				\$					
Land and Building (acquisition only)				\$					
Renovations/Remolding (refinance or acquisitions)				\$					
Purchase Equipment (new construction only)				\$					
Debt Refinance (refinance only)				\$					
Closing Costs				\$					
Other Specify: _____				\$					
Total Project Cost				\$					
Less: Your Cash Injection				\$					
Less: Seller Financing/Other				\$					
Loan Request				\$					
Financial Information									
Potential Gross Income (fully occupied)				\$					
Actual Gross Income (G/I minus vacancies)				\$					
Operating Expenses inc. Real Estate Taxes				\$					
Management Fee				\$					
Capital Reserves				\$					
Total Net Income				\$					
Rent/Lease Roll (use additional sheet if needed)									
Unit #	Square Feet			Average Monthly Rent			Length of Lease/Exp Date		
1							/		
2							/		
3							/		
4							/		
5							/		

To complete over the phone, contact Neal Patel or Rohul Patel at 908-698-0498.