

SHOPPING CENTER / STRIP MALL LOAN PROGRAM

BASIC CRITERIA*

Borrower

- Good credit history
- Management and/or ownership experience helpful

Property Description

- Purchase and for the rehabilitation of existing properties
- Minimum acceptable annual occupancy rate – 85%

Property History

- Must have been in operation for a minimum of one year

Loan Amount

- From \$2,000,000. Mezzanine financing available, on a case-to case basis

Loan Term

- 5, to 20 years, up to 30 years amortization, fixed rate,

Closing Period

- 30 to 45 days

Interest Rates

- 100 to 435 basis points over the corresponding Treasury Bills' index. Also available is a variable interest rate floating over the corresponding one-month LIBOR index.

Debt Service Coverage Ratio

- 1.20 or higher

Loan to Value Ratio

- Up to 80%

Use of Funds

- An explanation as to how the loan will be used.

Reserves

- Tax, insurance and a replacement reserve may be required. The replacement reserves are to be provided for capital replacements, re-leasing costs and rental interruption.

Collateral

- First lien position

Property Locality

- United States and some foreign countries

Basic Documents

- Description of property.
 - Copy of franchise agreement, if applicable
 - Color photographs – interior & exterior (property and neighborhood).
 - Copy of building layout and site plan

- Map – indicate the location of property
- Occupancy history - past three years
- Copies of the lease agreement of each tenant and the renewal date
- Parking Information – no. of spaces and no. of handicapped spaces
- Résumés of principals and key employees
- Financial Information
 - Copies of mortgage agreement(s)
 - Corporate financials – past three years and YTD
 - Signed and dated financial statement of all principals
 - Operating statement for the past three years
 - Three-year pro forma on a monthly basis
- Miscellaneous Information
 - Corporate federal income tax returns – past three years
 - Personal federal income tax returns of 20% or more owners – past three years, if applicable
 - MAI appraisal

***Basic criteria subject to change without notice.**