

Executive Summary

Overview: The Sponsor is currently under contract to acquire this property for \$11.5 million from the asset manager of Total Bank and needs an additional \$500,000 for renovations/soft/closing costs. \$250,000/\$750,000 deposits at escrow accounts and also tax escrow \$35,184.53 including \$12M at closing. Sponsor has engaged JV partner to funding

Funding Request: \$12 million payable interest only at a market rate for a term not less than 2 years. This is an indicated 80% LTC but a 65% Loan to Stabilized Value.

Sponsor: Buyer is a SME Group Investment, LLC based in Cheyenne, WY. SME Group International, LLC. James Levy, founder, of SME Group International, LLC is a second generation real estate , worked with the family real estate investment business from his mother, Raquel Levy in 1981 until 2003. From 2000 to 2007 as co-developer on Meadow Place Senior Apartment \$12 million 188 units and worked with an asset management company, directly serve the prospective Deaf and Hearing Impaired residents.- Meadows Place, TX. His real estate expertise, forward thinking management, redevelopment and 30+ year experience continues to support the company's.

Location: Tampa, FL.

Property: Emerald Point 200 + unit multifamily / condominium property on student housing. The property has modest deferred maintenance needs and is located in nearby The University of South Florida close to shopping, employment centers, places of worship and major bus routes. See detailed property description, maps, aerial photos and site photos.

Financial Need: The buyer seeks senior debt for \$12 million.

Source of Funds:

New Loan	<u>\$12 million</u>
Total	\$12 million

Use of Funds:

Acquire Property	\$11.5 million
Closing Costs	<u>\$0.5 million</u>
Total	\$ 12 million

Market Conditions: Based on underwriter's conversations with the Sponsor's proposed management team the market is running at 97% occupancy while this property is currently being operated at 94% occupancy due institutional owner's unwillingness to invest any capital or "make-ready" funds into the property. It is assumed by the underwriter that the property can achieve a 90% occupancy level.

Competitive Advantages: Property is being purchased at a significant discount to replacement value. The highly visible property features easy access to all areas of the community. Property is located in a stable, in-fill location.

Negatives: Sponsor recently got a 14-day extension. JV Funding needs to close within a very tight time-frame.

Exit Strategy: Underwriter has assumed a value at stabilization of \$18 - \$21 million based on an 8 cap. The property will be short sales to retire bridge debt