



We have a Preferred Equity solution for sponsors who are looking for Equity and can co-invest by bringing cash to the table. This program does not offer 100% financing. It is not driven by the value of the property but only by the purchase price and LTC. Sponsors must be able to bring at least 25% of the purchase price in the form of cash.

Description: Investments which are typically between \$100K-1MM to cover the missing capital requirement

Structure: Preferred equity position within the Operating Agreement of the Mortgage Borrower

Capital Stack: Conventional Loan, 25% of Cash Equity from Sponsor, Preferred Equity. Maximum of 75% CLTV between first mortgage and PE investment

Size: Minimum of \$100 Thousand - \$1 Million

Returns: Preferred returns between 15-20%

Geography: Preference to Continental 48 States

Asset Type: Multi Family, Office, Retail, Storage, Assisted Living, Industrial & Hospitality. Commercial stabilized assets only. No construction.

Benefits: This program helps by making the required downpayment available to satisfy the lender

Example: Investor Tom has a great deal and wants to buy an office building worth \$2.5 million for \$2 million. Tom puts down \$500,000. The bank makes a loan of \$1,300,000 and requires Tom to bring \$700,000. The equity in the property does not count toward a downpayment. Qualification is based on the purchase price. Due to the shortfall Tom utilizes our preferred equity partnering program and it makes up the \$200,000 preferred equity investment needed. Tom now meets the requirements and completes his purchase.

Call 888-835-3640