

RETAIL & SHOPPING CENTER LOAN PROGRAM SUMMARY

PROPERTY TYPE:	The full range of retail buildings from single tenant, restaurant, strip malls and anchored shopping centers will be considered. Buildings are required to possess all functional requirements of accessibility, parking, utilities and fire protection.
PROPERTY AGE:	Facilities should have been completed and in operation for at least 12 months. New properties in anchored centers will be considered. Loans for the construction of new buildings are also available. Properties built or substantially renovated since 1975 are preferred.
PREFERRED LOAN SIZE:	\$500,000 to \$25,000,000. (Larger and smaller loans are considered and priced on an exception basis.)
LOAN LIMITS:	The loan may not exceed 75% of the appraised value or the amount that produces a minimum debt coverage ratio of 125%. Lower coverage ratios may be accepted for facilities leased to credit-worthy tenants on a long term basis.
OCCUPANCY REQUIREMENTS:	The property must have at least 85% occupancy. Properties should be substantially leased for terms consistent with the local market, but generally not less than five years. Programs for recently stabilized properties are also available.
BORROWING ENTITY:	Generally, a single purpose entity is required.
LOAN TERM:	5, 7, 10 or 15 year terms are available at the borrower's option. Amortizations are generally 15-20 years but may be as long as 25 years for newer properties in good condition.
RATES:	Interest rates are set at a fixed spread over comparable term treasuries or LIBOR rates and vary as a function of coverage ratios. Both fixed and variable rate programs are available. Please call for current spread requirements.
GUARANTEES:	Both recourse and non-recourse programs are available, dependent on the loan quality and property size.
RESERVES:	Tax and insurance impounds are required. A replacement reserve account is required on some loan programs for capital replacements and re-leasing costs and rental interruption. Please call for further information.
PREPAYMENT:	Varies from program to program. Some have declining fixed percentages matching the fixed period while others have yield maintenance. Usually open to pre-payment without penalty after the initial fixed period or in the final six months of the fixed period.
USE OF PROCEEDS:	Loans are available for both purchase and re-finance transactions. Cash-out financing is also available.
THE NEXT STEP:	Call for our current rates and spreads. We provide a quick response and free estimates.