



	Small Balance Bridge	Nationwide Bridge
Loan Amount	\$500,000 to \$5,000,000	\$2,000,000 to \$30,000,000
Lending Area	New England and Mid-Atlantic	Nationwide
Loan Term	12 to 24 months	12 to 60 months
Asset Types	Office, retail, industrial, multifamily, hotel, and other asset classes to be considered on a deal-by-deal basis	Office, retail, industrial, multifamily, hotel, and other asset classes to be considered on a deal-by-deal basis
Loan-to-Value	Up to 65%	Up to 75%
DSCR & Debt Yield Requirements	None	Yes
Amortization	Interest Only	Interest Only
Interest Rate	7.99% - 10.99%	6.99% to 9.99%
Origination Fee	2% to 4% of the Loan Amount	2% to 3% of the Loan Amount
Expense Deposit	Expense deposit adequate to cover third party reports, legal fees and other customary costs	Expense deposit adequate to cover third party reports, legal fees and other customary costs
Prepayment	Freely prepayable after short lockout/yield maintenance period	Defeasance or yield maintenance, locked out for one year following the full funding of the Loan.
Recourse	Recourse to Sponsors	Non-recourse, except for customary bad boy carve-outs available

Documentation for Letter of Intent / Term Sheet

Although not explicitly required, providing the following documentation will expedite the generation of a Letter of Intent/Term Sheet.

1. **Executive Summary:** A concise, but thorough, overview that includes:
 - **Description of Property** & its estimated or appraised value, square footage, number of units, etc.
 - **Loan Amount & Use of Proceeds**—Debt owed/liens on the property/cash out
 - **Date of Purchase & Price**—How much cash has the borrower invested?
 - **Debt Service**—How will the borrower make monthly loan payments? Will it produce income or is an interest reserve needed?
 - **Loan Term Requested**—How does the loan term requested align with the borrower's exit strategy?
 - **Exit Strategy**— What liquidity event will allow the borrower to exit our bridge financing? Refinancing? Selling?
 - **The Scenario**—Why does your client require a bridge loan? What is preventing them from securing traditional financing?
2. **Appraisal and/or Color Photos of the Property:** Provide copies of past appraisals if available. Do not order an appraisal without first consulting with Red Star.
3. **Property Financials:** Most recent 2 years on the subject property; summary of lease agreements and rent roll. If owner occupied, provide operating statement from the business.
4. **Application and/or Personal Financial Statement:** Provide on Borrower/ Guarantor. Include recent credit report or authorization.

Upon receipt of the above items, Red Star can issue a Letter of Intent/Term Sheet within 24 hours. Email your submissions to GPolao@RedStarMortgage.Com

If you have questions about a loan or would like to review scenarios, please call us at 610-578-0715.

