

NIGHTWING EQUITIES

Residential & Hospitality Real Estate Alternative Finance



MULTIFAMILY



CONDO



SFR



HOTEL



GAMING

NIGHTWING
EQUITIES

Overview

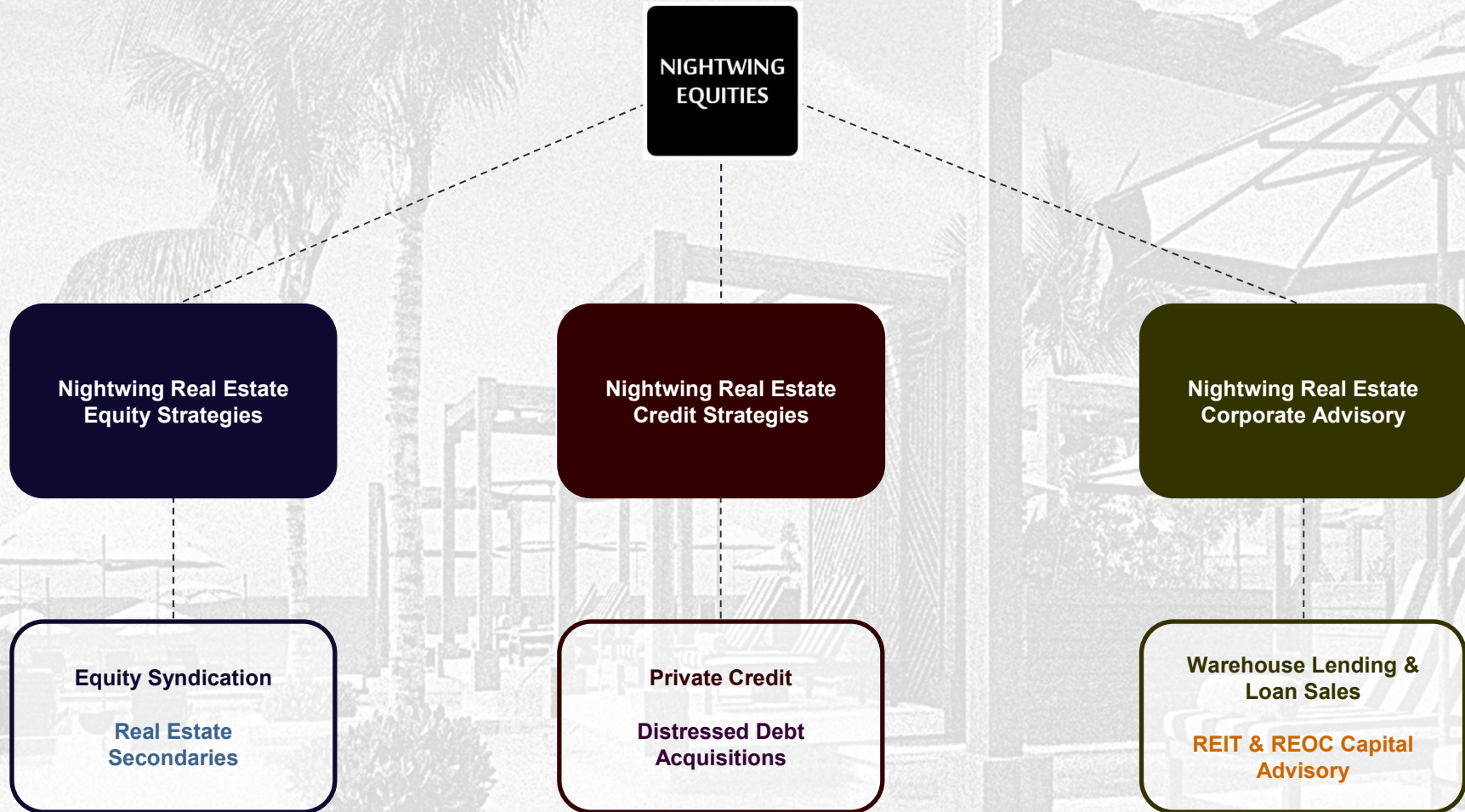
Nighting Equities is a Long Island-based boutique residential & hospitality real estate alternative finance and private capital advisory firm

Services & Capabilities:

Equity	Equity Syndication	Raise LP equity capital for sponsors seeking to partner with passive investors to develop and/or acquire residential & hospitality investment properties
	Real Estate Secondaries	Identify and negotiate asset & portfolio-level secondary transactions on behalf of GPs & LPs
Credit	Private Credit	Provide direct lending and debt placement solutions to sponsors seeking to develop, acquire, fix & flip, or recapitalize SFR, multifamily, and hotel properties <ul style="list-style-type: none"> • Refer to Residential & Hospitality Lending Parameters
	Distressed Debt Acquisitions	Collaborate with distressed debt investors to acquire non-performing loans collateralized by residential & hotel assets
Corporate Advisory	Warehouse Lending & Loan Sales	Advise mREITs, real estate credit funds, and private lenders on the placement of warehouse lines and sale of whole loans secured by residential & hospitality assets
	REIT & REOC Capital Advisory	Offer corporate lending and capital structure advisory services to residential & hospitality REITs and REOCs

Nighting Equities Offers Bespoke Solutions to Residential & Hospitality Real Estate Investors, Developers, and Lenders

Real Estate Strategies



Strategies Include Property & Corporate-Level Equity, Credit, and Advisory Services

Asset Class Expertise



Equity Syndication



Disciplined approach in identifying and underwriting equity syndication opportunities

Services/Capabilities

- Identify and source passive investors/LPs
- Structure legal entities/LLCs
- Complete independent property and sponsor due diligence
- Handle investor relation responsibilities from deal origination through investment exit

Investor Advantages

- Access to top-tier sponsors/GPs
- Achieve benefits of owning an investment property (cash flow, appreciation, tax breaks, etc.) without having to manage/operate the asset
- Tax benefits via asset depreciation (K-1 tax filings)
- Diversification of capital across pool of income-producing assets

Investment Criteria

- Target equity investments in income-producing, value-add, and distressed real estate in select markets
 - Preference for U.S. markets with strong fundamentals, demand, and employment drivers
 - Asset types: multifamily, SFR, and luxury/boutique hotels
- Min 2x equity multiple and/or 15%+ IRR with 3-5-year hold period/exit

Real Estate Secondaries



Provide liquidity solutions to an illiquid real estate private equity market

GP-Led Recapitalizations

- Investments in existing assets or funds that bring fresh equity, reset investment timelines, and re-align ownership structures
- Fund sponsor sells one or more assets from a fund it already manages to a new fund – this continuation vehicle is managed by the same sponsor and generally capitalized by one or more secondary buyers
 - While the continuation vehicle is controlled by the same sponsor, the pricing and terms of the transaction are generally negotiated by and among the lead secondary buyers and the fund sponsor on behalf of the existing fund
- Investors in the existing fund are given the option to (i) sell their interest in the underlying assets being transferred (liquidation option), (ii) roll their interest into the continuation vehicle on the same terms as the existing fund (status-quo option), or (iii) re-invest into the continuation vehicle on new terms negotiated by the lead secondary buyers, often with an additional capital commitment (rolling/reinvesting option)

LP-Led Secondaries

- Sale of a fund interest from an LP that wants to liquidate prior to the fund's termination
 - Equity is exchanged in the capital stack, however the sponsor/operator stays in place and maintains control of the fund/asset
- Provides LPs with liquidity, allows them to lock in gains early and/or rebalance their overall exposure to a certain fund or asset class
- Offers new investors access to private real estate opportunities that they would otherwise not have access to

Private Credit – Residential Lending Parameters



	Bridge Loans			Term Loans		
	Fix & Flip	Ground-up	Multifamily Bridge	SFR	Rental Portfolios	Multifamily Term
Property Type:	Residential (1-4 Units)	Residential (1-4 Units)	Residential (5+ Units)	Single Family/2-4 Unit/Townhomes/PUD Warrantable Condos/Eligible Mixed Use	Single Family/2-4 Unit/Townhomes/PUD/Warrantable Condos/Eligible Mixed Use	5+ Unit Residential Properties
Loan Amount:	\$50k - \$25mm	\$50k - \$2mm	\$500k+	\$75k - \$2mm	\$150k - \$50mm	\$500k - \$50mm
Loan Type:	Int Only	Int Only	Int Only & Fixed/ARM Options	30-Yr Fixed Rate Mortgage (Fully Amortizing) 5/1, 7/1, 10/1 Hybrid ARMs (Partial IO or Fully Amortizing)	5, 10 & 30-Yr Fixed Rate Mortgage 5/1, 7/1, 10/1 Hybrid ARMs (Partial IO or Fully Amortizing)	30-Yr Fixed Rate Mortgage, or 5/1, 7/1, 10/1 Hybrid ARMs (Partial IO or Fully Amortizing)
Max LTC:	90% of Purch & 100% of Rehab Costs	50%-65% of Purch & 100% of Rehab Costs (Max Total: 85%)	Purch Loans: 80% of Purch / As-is Value + 100% of Rehab Costs Refi Loans: 75% of As-is Value + 100% of Rehab Costs	If Owned < 3 Mths, 80% of Total Cost Basis If Owned Btwn 3 & 6 Mths, Add'l 5% Haircut on Max Eligible LTV	If Owned < 3 Mths, 80% of Total Cost Basis If Owned Btwn 3 & 6 Mths, Add'l 5% Haircut on Max Eligible LTV	If Owned < 3 Mths, 80% of Total Cost Basis If Owned Btwn 3 & 6 Mths, Add'l 5% Haircut on Max Eligible LTV
Max LTV:	75% (ARV)	75% (ARV)	75% (Stabilized Value)	Purch/Rate Term Refi: 80% Cash-Out Refi: 75%	Purch/Rate Term Refi: 80% Cash-Out Refi: 75%	Purch/Rate Term Refi: 75% Cash-Out Refi: 75% for Loans ≤\$3mm; 70% for Loans >\$3mm
Min DSCR:	N/A	N/A	N/A	1.20x (Gross Rent/PITIA)	1.20x (Net Cash Flow/Debt Service)	1.25x
Term Length:	Up to 18 Mths	Up to 18 Mths	Up to 24 Mths + Two 6-Mth Extns	30 Yrs	5, 10 & 30 Yrs	30 Yrs
Recourse:	Full Recourse	Full Recourse	Full Recourse	Full Recourse Only	Non-Recourse w/ Bad-Boy Carveouts & Pledge of Equity of Borrowing Entity	Full Recourse, or Non-Recourse w/ Bad-Boy Carveouts & Pledge of Equity
Min Guarantor FICO:	N/A	N/A	Mid-Score of 680	Mid-Score of 680	Mid-Score of 680	Mid-Score of 680
Lease Requirements:	N/A	N/A	N/A	Leased Units: Lower of (i) In-Place Rent & (ii) Mkt Rent Unleased Units: 90% of Mkt Rent (Purch Loans Only)	Min Occupancy Rate of 90% by Unit Count	Min Occupancy Rate of 90% by Unit Count

Private Credit – Hospitality Lending Parameters



	Permanent	Bridge	Construction	Mezzanine / Preferred Equity
Purpose:	Refinance or Acquisition of a Stabilized Asset	Acquisition, Conversion, Refinance, Discounted Purchase Option or Note Purchase	Ground Up Construction; Hotel Conversion with a Heavy Renovation Component	Recapitalization, Construction Takeout, Gap Financing
Amount:	\$5mm to \$50mm	\$2.5mm - \$25mm	\$2.5mm - \$15mm	\$1mm-\$10mm
Term:	5, 7, or 10 Years	3-5 Years	3 Year Initial Term w/ Extension Options	Coterminous w/ Senior Mortgage
Max LTV:	70%	75%	75% (LTC)	80% (LTC)
Amortization:	Up to 5 Years Interest Only, 25-30 Year Amortization Thereafter	Up to 3 Years Interest Only, 25 Year Amortization Thereafter	Up to 3 Years Interest Only, 25 Year Amortization Thereafter	Interest Only
Recourse:	Non-Recourse; Bad-Boy Carveouts Required	Non-Recourse; Bad-Boy Carveouts Required	Completion Guarantee Required. Personal and/or Corporate Guarantees	Personal and/or Corporate Guarantees
Prepayment:	3 Years Yield Maintenance; Open Prepay Thereafter	N/A	N/A	N/A

Distressed Debt Acquisitions



Collaborate with distressed debt investors to acquire non-performing loans and execute on tailored strategies to achieve meaningful recovery/upside

Services/Capabilities

- Distressed debt sourcing/identification and co-investment
- Sub-performing and non-performing loan valuation
 - Workout vs. foreclosure strategies
 - Recovery maximization analysis

Key Relationships

- Investment/commercial banks
- mREITs
- Real estate credit funds
- Private lenders
- Credit unions
- Brokers

Warehouse Lending & Loan Sales



Generate liquidity for mREITs, real estate credit funds, and private lenders via placement of warehouse lines and whole loan sale strategies

Warehouse Lending

- Execute and structure warehouse lines on behalf of real estate credit funds and private lenders
 - Permits mortgage lenders to fund loans without tapping into their capital reserves; mortgages are subsequently sold to secondary investors with the proceeds used to repay the warehouse line
- Ongoing management of warehouse lines including amendments/modifications and extensions

Loan Sales

- Advise mREITs, real estate credit funds, and private lenders on the sale of newly-originated whole loans
 - Allows lender to preserve go-forward balance sheet capacity and liquidity
- Provide clients with access to network of institutional investors (asset managers, CRE CLOs, etc.)

REIT & REOC Capital Advisory



Advise REITs and REOCs on optimal capital structures and liquidity enhancement strategies

Services/Capabilities

- Corporate-level revolving credit facility, term loan, and SFR aggregation credit facility placement
- Credit facility sizing and pricing considerations
- Capital structure and liquidity analysis
- Loan syndication strategies
- Credit agreement/legal documentation negotiations
- REIT bank loan market update/trends

Key Relationships

- Apartment REITs & REOCs
- SFR REITs & REOCs
- Student Housing REITs & REOCs
- Hospitality/Leisure REITs & REOCs
- Hotel, Branded Residences, and Country Club Operators/Franchisers