

PROPRIETARY LENDING

Preferred Equity Partnership

NewPoint Real Estate Capital facilitates preferred equity investments through a partnership referral program.

BENEFITS	<ul style="list-style-type: none">• Allows for increased leverage at competitive market rates.• Speed in processing and underwriting with seamless delivery to borrower.
ELIGIBILITY	<ul style="list-style-type: none">• Primarily conventional and affordable housing, and selectively student housing, manufactured housing and seniors housing nationwide.• Acquisition financing with a fixed or floating rate senior loan and a maximum term of 10 years per Fannie Mae and Freddie Mac guidelines.• Borrower may be a limited partnership, corporation or limited liability company.
TERM	Generally coterminous with the senior mortgage, subject to a maximum of 10 years.
MINIMUM INVESTMENT AMOUNT	\$2 million.
PREFERRED INTEREST RATE	Competitive fixed rate.
AMORTIZATION	Typically interest only, subject to underwriting and credit approval.
MAXIMUM LTV	<ul style="list-style-type: none">• Up to 90% when combined with Freddie Mac senior mortgage.• Up to 85% when combined with Fannie Mae senior mortgage.
MINIMUM DSCR	<ul style="list-style-type: none">• 1.05x based on an amortizing senior mortgage and the preferred equity rate for Freddie Mac loans.• 1.10x based on an amortizing senior mortgage and the preferred equity rate for Fannie Mae loans.
FEES	Standard origination, application and exit fees apply.
PREPAYMENT PROVISIONS	Yield maintenance.
TAX AND INSURANCE ESCROW	Generally required.
REPLACEMENT RESERVE DEPOSIT	Generally required.
RECOURSE REQUIREMENTS	Non-recourse except for standard carve-out provisions.
SUPPLEMENTAL LOAN AVAILABILITY	Supplemental financing allowed so long as proceeds are used to pay down the preferred equity investment first.

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