

PROPRIETARY LENDING

# Preferred Equity Partnership

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

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

[NEWPOINT.COM](http://NEWPOINT.COM)



This sheet sets out the general guidelines of a loan program and is designed solely as an aid to prospective borrowers and other clients. It does not represent or imply a contract or a commitment to lend funds. A commitment to lend funds may only be made by a written letter issued by NewPoint to a prospective borrower. This term sheet is subject to change at any time without notice at the sole discretion of NewPoint Real Estate Capital LLC. Arizona Commercial Mortgage Banker License CBK - 0926535. Nevada Mortgage Company License 5605. California DFPI Finance Law License 603F812. California commercial real estate broker activities are conducted through NewPoint Multifamily Capital Corporation (California Department of Real Estate Broker License No. 01995692, which is a wholly owned subsidiary of NewPoint Real Estate Capital LLC. New York Real Estate Broker Company License No. 10991236549. North Carolina Collection Agency Permit No. 112712. North Dakota Money Broker License MB104168. South Dakota Non-Residential Mortgage Lender License 1140125.ML-NR. To view NewPoint's complete licensing information please visit [newpoint.com/licensing-disclosures](http://newpoint.com/licensing-disclosures).

©2024 NewPoint Real Estate Capital LLC. All rights reserved.

