

PROPRIETARY LENDING

Preferred Equity Partnership

NewPoint 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.• Acquisition or refinance with a NewPoint Bridge financing solution.• 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%.
MINIMUM DSCR	<ul style="list-style-type: none">• 1.05x.
FEES	Standard origination, application and exit fees apply.
PREPAYMENT PROVISIONS	Varies depending upon loan term.
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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