



Construction and Bridge Loan Program

Hall Structured Finance provides first lien non-recourse (with completion and standard carve out guarantees) construction (ground-up and adaptive reuse or major asset reposition/renovation), acquisition, bridge, recapitalization, and debtor-in-possession financing under its Construction and Bridge Loan Program to borrowers for real estate projects located throughout the United States. Terms under HSF's loan program typically include the following*:

Eligible Locations:	Real estate projects located throughout the United States.
Property Types:	Strong emphasis on hotels, but also pursuing opportunities to lend on multifamily, student housing, office, and select other specialty assets such as condominium.
Security:	First mortgage lien on the subject property, and pledge of ownership interests.
Loan Sizes:	\$15 million to \$60 million (larger loans sizes considered on a limited basis for highly attractive opportunities).
Loan to Cost Ratio:	Up to 75% LTC.
Recourse:	Non-recourse (subject to underwriting), with standard carve out guarantees and completion guarantees on construction loans.
Closing Time:	2 to 8 weeks from application and deposit remittance.
Interest Rate:	Libor-based floating rate typically between L +7.75% and L +9.00%.
Debt Service:	Interest only during the primary term.
Loan Term:	36 month primary term; with up two 12-month extensions.
Origination Fee:	2% of loan amount.
Exit Fee:	1% to 2% of loan amount.
Prepayment:	12 to 18 month lockout/interest guarantee.
Reserves/ Escrows:	Real estate taxes, insurance, replacement reserves, and mortgage interest (as may be required).
Underwriting:	Emphasis on equity capital funded in connection with loan, asset quality, value creation business plan, market analysis, and sponsorship.
Expense Deposit:	\$35,000, payable upon acceptance of Loan Application to cover 3rd party reports and out of pocket closing costs. Any remainder credited back to borrower at loan closing, or refunded in the event the subject loan application is not approved by HSF.
Third Party Reports:	MAI Appraisal, and Phase I environmental, and other reports as may be relevant and / or required by HSF (feasibility, property condition etc.).

* Loan terms vary depending on the underwriting of each transaction by HSF at its sole and absolute discretion.