



BRIDGE LOAN PRO

COMMERCIAL REAL ESTATE FINANCING

How to Structure Bridge Loans

The key to structuring a Bridge loan for commercial real estate is to understand the amount of structure needed for rehab, turnaround time to stabilization and the exit strategy. There are simple bridge loan scenarios typically for short term periods and longer terms up to 3 years. The simple bridge loan transaction does not typically require any heavy lifting and the story is very short.

The purpose of Bridge Loan analysis is to quickly analyze the key information to estimate the cash flow As Is (current rents), compared to the cash flow As Stabilized (market rents) and As Completed, if applicable.

The 3 key drivers for appraisal analysis include:

As Is Value: The current in place rents, condition of the property and if any rehab is needed.

As Stabilized Value: The current in place rents at 95% to 100% occupancy and rehab needed to stabilize.

As Completed Value: Full projection to market rents including substantial rehab.

The typically short term simple bridge loan will not require a As Completed value and in some cases with private money funds will not need a appraisal at the lower 50% to 60% LTV range.

Example of a simple Bridge Loan:

10 unit multifamily in average condition with 5 vacant units at close. 3 of the five units are in rent ready condition and the other two units need full remodel estimated at \$40,000. The exit strategy is based on Portfolio Bank or Agency refinance estimated in 6 to 12 months. The analysis is based on the As Is to Stabilized cash flow projection with all of the units rented.

Example of a complex Bridge Loan for Added Value acquisitions:

50 unit multifamily purchase with existing rents 50% below market and substantial rehab budget of \$900,000 for interior and \$100,000 for exterior improvements. For a purchase price of \$5,000,000, the bridge loan structure would be as follows:

\$5,000,000 Purchase Price

\$1,000,000 Rehab Budget

\$6,000,000 Total Project Cost (completed value needs to be \$6,000,000 +

\$4,500,000 Bridge Loan (90% purchase price & 75% of estimated completed value)

The same information is needed for all types of commercial real estate. A simple transaction summary with the Story, Purpose, Property Description and Exit Strategy with attached rent roll, operating statements and projection plan, etc. See Loan Quote Form / Transaction Summary below.

Broker Contact:

E-Mail:

Company

Phone / Extension:

Fax:

Project Name:

Property Address

Borrowing Entity:

Individuals:

LOAN QUOTE FORM / TRANSACTION SUMMARY

*ESTIMATED VALUE / SALES PRICE

\$

Purchase Refinance

REQUESTED LOAN AMOUNT 1st TD

\$

*ACQUISITION DATE / ORIGINAL PRICE

\$

(*For refinance only)

*EXISTING FINANCING 1st TD

\$

(Name of Lender)

*EXISTING FINANCING 2nd TD

\$

(Name of Lender)

*EXISTING FINANCING 3rd TD

\$

(Name of Lender)

COMMENTS:

WHAT IS THE STORY?

WHAT IS THE PURPOSE OF THE LOAN?

PROPERTY DESCRIPTION / WHAT TYPE OF PROPERTY IS THIS?

WHAT IS THE EXIT STRATEGY TO PAY OFF YOUR LOAN?



BRIDGE LOAN PRO

COMMERCIAL REAL STATE FINANCING

The Bridge Loan Pro Excel template provides you with the loan sizing tools needed to analyze the cash flow from As Is to Stabilized for Multifamily, Mobile Home Parks, Mixed-Use, Commercial & Industrial, Self-Storage, Hotel and Assisted Living. To cut to the chase, always compare the As Is to Stabilized for the first step.

Each property type has a set-up that is unique to the specific property type including operating expenses for the specialized property type. The debt service cash flow calculations include option to preview Bridge loan interest rate to exit strategy interest rate.

Actual		Proforma	
Bridge Loan Rate		Stabilized Financing	
1st TD Financing		1st TD Financing	2nd TD Financing
\$0		\$0	\$0
Interest Rate (1st TD)		Interest Rate (1st TD)	Interest Rate
8.000%		6.500%	0.000%
Amortization		Amortization	Amortization
99		30	99

Interest Rate Notes:

If the Bridge loan interest rate and loan program and Stabilized are the same, make sure the rates & amortization are the same.

99 Amortization will calculate a Interest Only debt service
30 Amortization = 30 years (360)

Bridge Loan Pro Main Menu

- Multifamily (5 or more units)
- Mobile Home Park
- Mixed Use (Apartments & Commercial)
- Commercial & Industrial
- Self Storage
- Hotel
- Assisted Living (Residential Elderly Care Facility)
- Spreadsheet (Standard for Multifamily & Commercial)
- Rent Roll (Standard for Multifamily, Mobile Home Park, Mixed Use)
- Lease Summary (Standard for Commercial)

For details, please go to our website: www.Bridgeloanpro.com

MULTIFAMILY

Property Type:

Property Address:

Requested Loan Program:

Borrowing Entity:

Comments:



PURCHASE

REFINANCE

Sales Price:	\$7,000,000		Date Acquired:		Est Value	\$0
Cash Down:	\$1,750,000	25.00%	Original Cost:	\$0	Rehab:	\$0
1st Trust Deed:	\$5,250,000	75.00%	Existing Debt:	\$0		
2nd Trust Deed:	\$0	0.00%	1st TD:	\$0	70.00%	
Total Financing:	\$5,250,000	75.00%	2nd TD:	\$0	0.00%	
Total Cash Down Payment:	\$1,750,000	25.00%	Total Financing:	\$0	70.00%	
Source of Down Payment:	1031 exchange		Gross Proceeds:	\$0		
Comments:			Existing Lender:			

Estimated Amount of Rehab <u>if Bridge Loan</u>	\$350,000	\$50k exterior & \$300k interior budget for 24 months
Estimated Value after stabilization	\$9,000,000	
Estimated # months to stabilization	24 to 36	

MULTIFAMILY PROPERTY

Total Number of Units:	35	Monthly Income	\$46,000	(100% of SGI)
Year Built:	1975	Laundry Income	\$350	
Gross Building Area:	25,000	Utility Reimbursement	\$550	
Pool:	One Pool	Click here to select	\$0	
Elevator:	Yes	Click here to select	\$0	
Gas Utilities:	Separate	Total Monthly Income	\$46,900	
Electric Utilities:	Master	Total Annual Income	\$562,800	
# of Vacant Units:	1	2.86%		

Narrative / Story / Comments
See attached rent roll

INCOME & EXPENSES

	Actual	Proforma
Gross Scheduled Monthly Income	\$46,000	\$60,000
Laundry Income	\$350	\$350
Utility Reimbursement	\$550	\$550
Click here to select	\$0	\$0
Click here to select	\$0	\$0
Gross Potential Monthly Income	\$46,900	\$60,900
Gross Potential Annual Income	\$562,800	\$730,800
Less: % Vacancy Allowance	5.00%	5.00%
Total Economic Vacancy	(\$28,140)	(\$36,540)
Effective Gross Income (EGI)	\$534,660	\$694,260
Less Operating Expenses	(\$222,438)	(\$222,438)
Net Operating Income (NOI)	\$312,222	\$471,822
1st TD Debt Service	(\$313,254)	(\$375,694)
DSCR 1st TD	1.00	1.26
2nd TD Debt Service	\$0	\$0
Combined Debt Service(1st & 2nd)	(\$313,254)	(\$375,694)
Combined DSCR (1st & 2nd)	1.00	1.26
Cash Flow	(\$1,032)	\$96,128

Annual Operating Expenses (Proforma)	
Real Estate Taxes	\$77,875
Other Taxes (Direct Assesment)	\$5,000
Insurance	\$10,000
Utilities / Trash	\$29,750
Repairs & Maintenance	\$26,250
Pool Maintenance	\$0
Landscaping / Gardening	\$0
Off Site Management	\$27,770
On Site Management	\$10,500
General & Administrative	\$12,600
Advertising	\$3,500
Payroll & Benefits	\$3,500
Other	\$6,943
Reserves	\$8,750
Total Operating Expenses	\$222,438
Expenses / % EGI (Proforma)	41.60%
Expenses / Per Unit	\$6,355
Expenses / % EGI (Actual)	41.60%

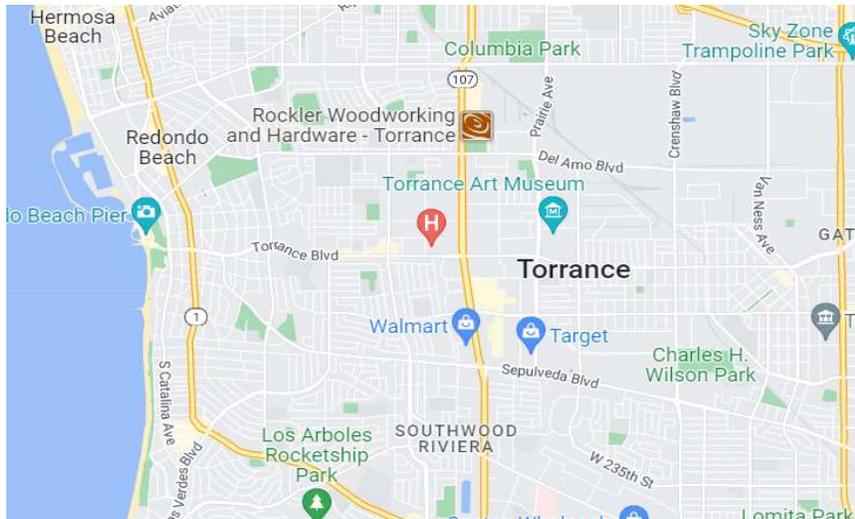
GRM (Gross Rate Multiplier)	12.44	9.58
Cap Rate	4.46%	6.74%
Average Rent Per Unit	\$1,314	\$1,714
Average Unit Size /Sq Ft	714	714
% Rental Upside		30.43%
Value per Unit	\$200,000	
Cash on Cash Return	-0.06%	5.49%
Value per Sq Ft	\$280	

DCR Sizer	
NOI	\$471,822
NOI for DS	\$377,458
Minimum DCR	1.250
Max Loan / DCR	\$5,108,644
Interest Rate	6.250%
Amortization	30
Loan to Value	72.98%

Interest Rate 1st TD	5.950%	5.950%
Interest Rate 2nd TD	0.000%	
Monthly Cash Flow	(\$86)	\$8,011

Debt Yield Sizer (Current Rents)	
Debt Yield Required	8.00%
Loan Amount	\$5,897,775

Map Location



MOBILE HOME PARK

Property Type:

Property Address:

Requested Loan Program:

Borrowing Entity:

Comments:



PURCHASE

REFINANCE

Sales Price:	\$4,000,000	
Cash Down:	\$1,200,000	30.00%
1st TD:	\$2,800,000	70.00%
2nd TD:	\$0	0.00%
Total Financing:	\$2,800,000	70.00%
Total Cash Down Payment:	\$1,200,000	30.00%
Source of Down Payment:		

Date Acquired:	1/1/2019	Est Value	\$0
Original Cost:	\$0	Rehab:	\$0
Existing Debt:	\$0		
1st TD:	\$0	70.00%	
2nd TD:	\$0	0.00%	
Total Financing:	\$0	70.00%	
Gross Proceeds:	\$0		

Comments:

Existing Lender:

Estimated Amount of Rehab if Bridge Loan

Estimated Value after stabilization

Estimated # months to stabilization

MOBILE HOME

Total Number of MHP Spaces	100	
# of Single-Wide Spaces	60	60.00%
# of Double-Wide Spaces	40	40.00%
Are the roads Paved?	Yes	
What Class is MHP	4 Star	
# of Park Owned Homes	5	5.00%
# of RV Spaces	0	0.00%
# of Vacant Spaces	10	10.00%
Year Built	1977	

Monthly Income	\$30,000
Laundry Income	\$500
Click here to select	\$0
Click here to select	\$0
Click here to select	\$0
Total Monthly Income	\$30,500
Total Annual Income	\$366,000

Narrative / Story / Comments
See attached rent roll

INCOME & EXPENSES

	Actual	Proforma
Gross Scheduled Monthly Income	\$30,000	\$35,000
Laundry Income	\$500	\$500
Click here to select	\$0	\$0
Click here to select	\$0	\$0
Click here to select	\$0	\$0
Gross Potential Monthly Income	\$30,500	\$35,500
Gross Potential Annual Income	\$366,000	\$426,000
Less: % Vacancy & Collection Loss	5.00%	5.00%
Total Economic Vacancy	(\$18,300)	(\$21,300)
Effective Gross Income (EGI)	\$347,700	\$404,700
Less Operating Expenses	(\$127,635)	(\$127,635)
Net Operating Income (NOI)	\$220,065	\$277,065
1st TD Debt Service	(\$200,370)	(\$200,370)
DSCR 1st TD	1.10	1.38
2nd TD Debt Service	\$0	\$0
Combined Debt Service(1st & 2nd)	(\$200,370)	(\$200,370)
Combined DSCR (1st & 2nd)	1.10	1.38
Cash Flow	\$19,695	\$76,695
Cash Flow	\$19,695	\$76,695

GRM (Gross Rate Multiplier)	10.93	9.39
Cap Rate	5.50%	6.93%
Average Rent Per MHP Space	\$300	\$350
% Rental Upside		16.67%
Value per MHP Space	\$40,000	

Interest Rate 1st TD	5.950%	5.950%
Interest Rate 2nd TD	10.000%	
Cash on Cash Return	1.64%	6.39%

Annual Operating Expenses	
Real Estate Taxes	\$50,000
Other Taxes (Direct Assesment)	\$0
Insurance	\$6,000
Utilities / Trash	\$12,000
Repairs & Maintenance	\$15,000
Pool Maintenance	\$0
Landscaping / Gardening	\$2,400
Off Site Management	\$20,235
On Site Management	\$12,000
General & Administrative	\$0
Advertising	\$0
Payroll & Benefits	\$0
Other	\$0
Reserves	\$10,000
Total Operating Expenses	\$127,635
Expenses / % EGI (Actual Rents)	36.71%
Expenses / Per MHP Space	\$1,276
Expenses / % EGI (Actual Rents)	36.71%

DCR Sizer	
NOI	\$277,065
NOI for DS	\$221,652
Minimum DCR	1.250
Max Loan / DCR	\$3,097,396
Interest Rate	5.950%
Amortization	30
Loan to Value	77.43%
Debt Yield Sizer (Current Rents)	
Debt Yield Required	9.00%
Loan Amount	\$2,445,167

Map Location



MIXED USE (Apartments & Commercial)

Project Name: _____
 Property Address: _____
 Requested Loan Program: _____
 Borrowing Entity: _____
 Comments: _____



PURCHASE

REFINANCE

Sales Price:	\$2,000,000		Date Acquired:	9/20/2017	Est Value	\$0
Cash Down:	\$700,000	35.00%	Original Cost:	\$0	Rehab:	\$0
1st TD:	\$1,300,000	65.00%	Existing Debt:	\$0		
2nd TD:	\$0	0.00%	1st TD:	\$0	70.00%	
Total Financing:	\$1,300,000	65.00%	2nd TD:	\$0	0.00%	
Total Cash Down Payment:	\$700,000	35.00%	Total Financing:	\$0	70.00%	
Source of Down Payment:			Gross Proceeds:	\$0		
Comments:			Existing Lender:			

Estimated Amount of Rehab if Bridge Loan		
Estimated Value after stabilization		
Estimated # months to stabilization		

MIXED USE PROPERTY DESCRIPTION

# of Apartment Units	6	Monthly Income (Apartments)	61.28%	\$7,200
# of Commercial Units	2	Monthly Income (Commercial)	34.04%	\$4,000
Year Built	1950	Laundry Income	0.85%	\$100
Gross Building Area (Sq Ft)	8,500	CAM Reimbursement	3.83%	\$450
NRA Sq Ft (Commercial)	1,600	Billboard Sign	0.00%	\$0
Gas Utilities	Separate	Other	0.00%	\$0
Electric Utilities	Separate	Total Monthly Income	100%	\$11,750
# of Vacant Apartment Units	0	Total Annual Income		\$141,000
# of Vacant Commercial Units	0	Commercial Rent / Sq Ft (Monthly/Annual):		\$2.50 \$30.00
Apartment Unit Mix	6- 1 + 1 on second floor			
Commercial Unit Mix	2-retail units on ground floor			

Commercial & Residential Apartments Layout

Commercial Sq Ft to Total NRA Sq Ft:	18.82%	
Apartments Sq Ft to Total Bldg Sq Ft:	81.18%	
% of Commercial Income to Total Income:	37.87%	
% of Apartment Income to Total Income:	62.13%	
Type of Commercial Leases (NNN, FSG, etc.)	Triple net (NNN) for Retail	

INCOME & EXPENSES

	Actual	Proforma	Annual Operating Expenses	
Gross Scheduled Monthly Income	\$11,200	\$15,000	Real Estate Taxes	\$25,000
Laundry Income	\$100	\$100	Other Taxes (Direct Assessment)	\$0
CAM Reimbursement	\$450	\$450	Insurance	\$3,825
Billboard Sign	\$0	\$0	Utilities / Trash	\$6,000
Other	\$0	\$0	Repairs & Maintenance	\$3,000
Gross Potential Monthly Income	\$11,750	\$15,550	Pool Maintenance	\$0
Gross Potential Annual Income	\$141,000	\$186,600	Landscaping / Gardening	
Less: % Vacancy & Collection Loss	7.00%	7.00%	Off Site Management	\$8,677
Total Economic Vacancy	(\$9,870)	(\$13,062)	On Site Management	
Effective Gross Income (EGI)	\$131,130	\$173,538	General & Administrative	\$600
Less Operating Expenses	(\$51,087)	(\$51,087)	Advertising	\$150
Net Operating Income (NOI)	\$80,043	\$122,451	Payroll & Benefits	\$600
1st TD Debt Service	(\$95,798)	(\$95,798)	Other	\$1,735
DSCR 1st TD	0.84	1.28	Reserves	\$1,500
2nd TD Debt Service	\$0	\$0	Total Operating Expenses	\$51,087
Combined Debt Service(1st & 2nd)	(\$95,798)	(\$95,798)	Expenses / % EGI (Proforma)	29.44%
Combined DSCR (1st & 2nd)	0.84	1.28	Expenses / % EGI (Actual)	38.96%
Cash Flow	6.16%	9.42%	DCR Sizer / % LTV	

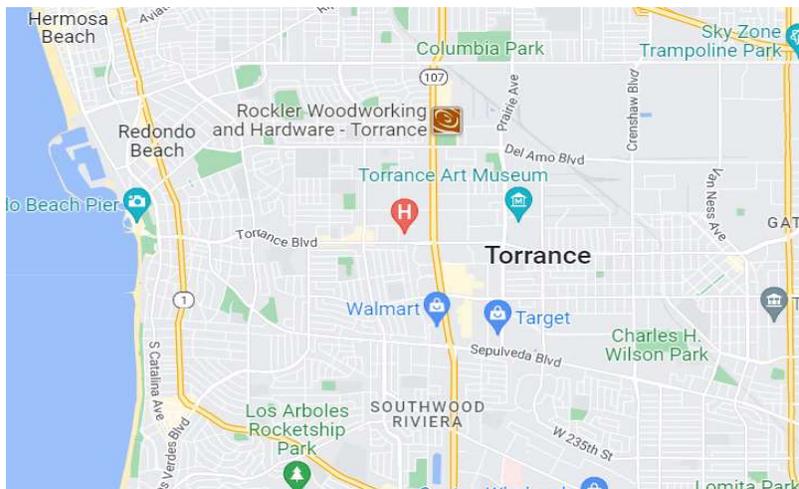
GRM (Gross Rate Multiplier)	14.18	10.72
Cap Rate	4.00%	6.12%
Value per Unit	\$250,000	
Value per Sq Ft	\$235	
Interest Rate 1st TD	5.500%	5.500%
Interest Rate 2nd TD	0.000%	

NOI	\$80,043	
NOI for DS	\$64,034	
Minimum DCR	1.250	
Max Loan / DCR	\$868,961	43.45%
Interest Rate	5.500%	
Amortization	25	

Cash on Cash Return **#DIV/0!** **#DIV/0!**

Narrative / Story/ Comments
See attached rent roll

Map Location



COMMERCIAL & INDUSTRIAL

Property Type: _____
 Property Address: _____
 Requested Loan Program: _____
 Borrowing Entity: _____
 Comments: _____



PURCHASE

REFINANCE

Sales Price:	\$15,000,000		Date Acquired:	9/20/2017	Est Value	\$0
Cash Down:	\$4,500,000	30.00%	Original Cost:	\$0	Rehab:	\$0
1st Trust Deed:	\$10,500,000	70.00%	Existing Debt:	\$0		
2nd Trust Deed:	\$0	0.00%	1st TD:	\$0	70.00%	
Total Financing:	\$10,500,000	70.00%	2nd Trust Deed::	\$0	0.00%	
Total Cash Down Payment:	\$4,500,000	30.00%	Total Financing:	\$0	70.00%	
Source of Down Payment:			Gross Proceeds:	\$0		
Comments:			Existing Lender:			

Estimated Amount of Rehab if Bridge Loan

Estimated Value after stabilization

COMMERCIAL-INDUSTRIAL PROPERTY DESCRIPTION

Total Number of Units / Suites	30	Monthly Income	\$70,000	\$1.52	Rent / Sq Ft
Year Built	1980	CAM (Taxes & Insurance)	\$6,000	\$0.13	
Gross Building Area (Sq Ft)	52,000	CAM-Other	\$100	\$0.00	
Total Net Rentable Area (Sq Ft)	46,000	Storage	\$500	\$0.01	
Total Vacant Sq Ft	10,000	Utility Reimbursement	\$2,500	\$0.05	
# of Stories	3	Total Monthly Income	\$79,100	\$1.72	
# of Buildings	1	Total Annual Income	\$949,200		
Lot Size	1.35 acres	Type of Leases	Mixed (NNN & MG)		

Major / Anchor Tenants: Retail space on ground floor and office space above; see lease summary

Commercial Frontage / Signage: _____

% of Vacant Commercial Sq Ft to Total NRA: 21.74% (% Physical Vacancy) % Economic Vacancy: 0.00%
 Projected Monthly Income of Vacant Space: \$0 Average Rent per Sq Ft (Vacant Space) \$0.00

Narrative/ Story / Comments
 See attached lease summary

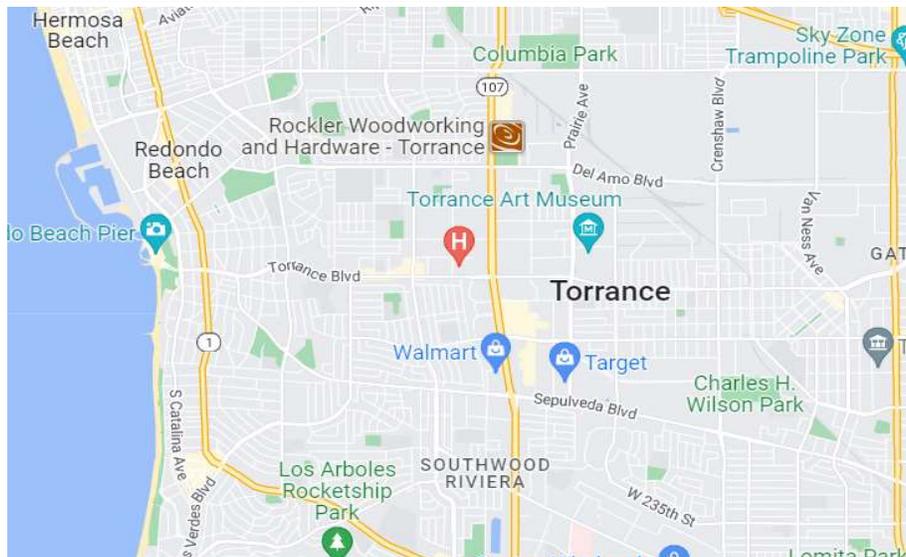
INCOME & EXPENSES

	Actual	Proforma		
Gross Scheduled Monthly Income	\$70,000	\$70,000	Real Estate Taxes	\$180,000
CAM (Taxes & Insurance)	\$6,000	\$6,000	Other Taxes (Direct Assessment)	\$0
CAM-Other	\$100	\$100	Insurance	\$23,400
Storage	\$500	\$500	Utilities / Trash	\$23,400
Utility Reimbursement	\$2,500	\$2,500	Repairs & Maintenance	\$28,476
Gross Potential Monthly Income	\$79,100	\$79,100	HVAC	\$0
Gross Annual Monthly Income	\$949,200	\$949,200	Landscaping / Gardening	\$0
Less: Economic Vacancy %	20.00%	10.00%	Off Site Management	\$34,171
Total Economic Vacancy	(\$189,840)	(\$94,920)	Janitorial	\$0
Effective Gross Income (EGI)	\$759,360	\$854,280	Elevator	\$0
Less Operating Expenses	\$324,568	\$324,568	General & Administrative	\$0
Net Operating Income (NOI)	\$1,083,928	\$1,178,848	Advertising	\$0
1st TD Debt Service	(\$821,475)	(\$821,475)	Payroll & Benefits	\$0
DSCR 1st TD	1.32	1.44	Other	\$9,492
2nd TD Debt Service	\$0	0	Reserves / TI's/LC's	\$25,628
Combined Debt Service(1st & 2nd)	(\$821,475)	(\$821,475)	Total Operating Expenses	\$324,568
Combined DSCR (1st & 2nd)	1.32	1.44	Expenses / % EGI	37.99%
Cash Flow	\$262,453	\$357,373	Expenses / Sq Ft (GBA)	6.241684615
Cash on Cash Return	5.83%	7.94%		

	7.23%	7.86%
Cap Rate		
Monthly Cash Flow	\$21,871	\$29,781
Average Rent Per Sq Ft	\$1.52	\$1.52
Value per Sq Ft (GBA)	\$288	
Interest Rate 1st TD	6.125%	6.125%
Interest Rate 2nd TD	0.000%	0.000%
Debt Yield	10.32%	11.23%
Debt Yield Required	10.00%	10.00%
Debt Yield Loan Amount	\$10,839,276	\$11,788,476

DCR Loan Sizer	
NOI	\$1,178,848
NOI for DS	\$906,806
Minimum DCR	1.300
Max Loan / DCR	\$11,590,695
Interest Rate	6.125%
Amortization	25
Loan to Value	77.27%

Map Location



SELF STORAGE (MINI-STORAGE)

Property Type:	
Property Address:	
Requested Loan Program:	
Borrowing Entity:	
Comments:	



PURCHASE

REFINANCE

Sales Price:	\$7,000,000		Date Acquired:	9/20/2017	Est Value	\$0
Cash Down:	\$2,800,000	40.00%	Original Cost:	\$0	Rehab:	\$0
1st TD:	\$4,200,000	60.00%	Existing Debt:	\$0		
2nd TD:	\$0	0.00%	1st TD:	\$0	70.00%	
Total Financing:	\$4,200,000	60.00%	2nd TD:	\$0	0.00%	
Total Cash Down Payment:	\$2,800,000	40.00%	Total Financing:	\$0	70.00%	
Source of Down Payment:			Gross Proceeds:	\$0		
Comments:			Existing Lender:			

Estimated Amount of Rehab if Bridge Loan

Estimated Value after stabilization

Estimated # months to stabilization

SELF STORAGE PROPERTY DESCRIPTION

Total Number of Storage Units	538	Monthly Income	\$61,000	(100% of Scheduled Rents)
Year Built	1988	Other Income	\$1,000	
Gross Building Area (Sq Ft)	72,000	Ancillary Income	\$2,000	
Net Rentable Area (Sq Ft)	67,000	Other Income	\$0	
Climate Controlled	Yes	Total Monthly Income	\$64,000	
Manager's Apartment	No	Total Annual Income	\$768,000	
Elevator Served	Yes			
# of Stories	2	# of Vacant Units	175	32.53%
Video Surveillance	Yes	% Occupancy	67.47%	
RV, Boat or Auto Storage	No	Construction Type		

Comments

of Buildings: 4
 Signage & Freeway Visibility:
 Easy Access (Ingress & Egress):
 Traffic Count (if available):
 Physical Vacancy: 9.29% / Physical Occupancy: 90.71%
 Economic Vacancy: 9.29 / Physical Occupancy: 90.71%
 Rent per Sq Ft: \$0.86 Sq Ft (NRA-Storage Only) excluding other income.

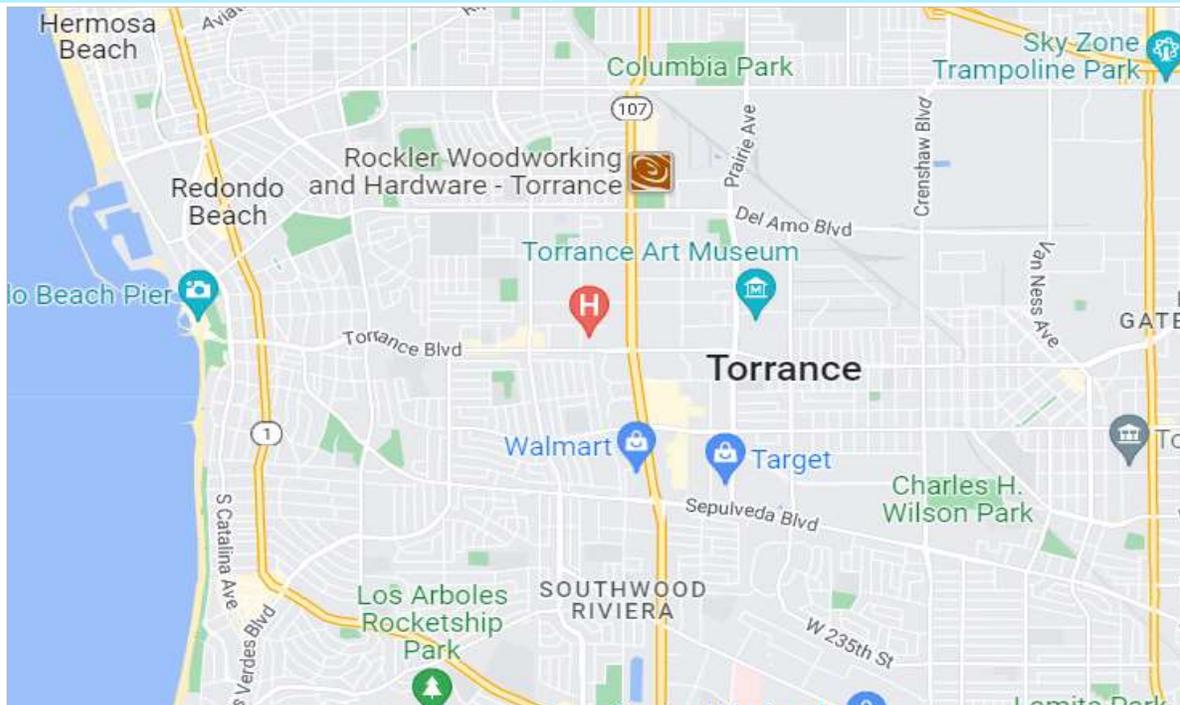
INCOME & EXPENSES

	Actual	Proforma	
Gross Scheduled Monthly Income	\$61,000	\$61,000	Real Estate Taxes
Other Income	\$1,000	\$1,000	Other Taxes-Assessments
Ancillary Income	\$2,000	\$2,000	Licenses-Business Tax
Other Income	\$0	\$0	Property Insurance
Total Monthly Income	\$64,000	\$64,000	Utilities-undetailed
Gross Potential Income	\$768,000	\$768,000	Maintenance & Repairs
Less: Physical Vacancy %	32.53%	10.00%	Elevator
(\$ Vacancy)	(\$249,814)	(\$76,800)	Payroll (Janitorial, Security, etc.)
Effective Gross Income (EGI)	\$518,186	\$691,200	Payroll Taxes
Less Operating Expenses	(\$166,537)	(\$166,537)	General & Administrative
Net Operating Income (NOI)	\$351,649	\$524,663	Advertising & Marketing
1st TD Debt Service	(\$302,021)	(\$302,021)	Off Site (Professional Mgt)
DSCR 1st TD	1.16	1.74	Resident Mgr Salary
2nd TD Debt Service	\$0	\$0	Miscellaneous expenses
Combined Debt Service(1st & 2nd)	(\$302,021)	(\$302,021)	Other 1 Contract Services
Combined DSCR (1st & 2nd)	1.16	1.74	Other 2 Miscellaneous
Cash Flow	\$49,628	\$222,642	Replacement Reserves
Cash on Cash Return	1.77%	1855354%	Total Operating Expenses
Cap Rate	5.02%	7.50%	Expenses / % EGI
Average Rent Per Sq Ft	\$0.91	\$0.91	Expenses / Per Sq Ft (Actual)
Average Unit Size /Sq Ft	125		Expenses / Per Sq Ft (Proforma)
Value per Sq Ft	\$97		
Debt Yield	8.37%	12.49%	
Interest Rate 1st TD	5.250%	5.250%	
Interest Rate 2nd TD	0.000%		

Debt Yield Sizer (Current Rents)	
Required Debt Yield	15%
Loan Amount	\$2,344,328

DCR Loan Sizer	
NOI	\$351,649
NOI for DS	\$260,481
Minimum DCR	1.350
Max Loan / DCR	\$3,622,331
Interest Rate	5.250%
Amortization	25
Loan to Value	51.75%

Map Location



Hotel (Hospitality)

Property Type:

Property Address:

Requested Loan Program:

Borrowing Entity:

Comments:



PURCHASE

Sales Price:	\$50,000,000	
Cash Down:	\$17,500,000	35.00%
1st TD:	\$32,500,000	65.00%
2nd TD:	\$0	0.00%
Total Financing:	\$32,500,000	65.00%
Total Cash Down Payment:	\$17,500,000	35.00%
Source of Down Payment:		
Comments:		

REFINANCE

Date Acquired:	9/20/2017	Est Value	\$0
Original Cost:	\$0	Rehab:	\$0
Existing Debt:	\$0		
1st TD:	\$0	70.00%	
2nd TD:	\$0	0.00%	
Total Financing:	\$0	70.00%	
Gross Proceeds:	\$0		
Existing Lender:			

Estimated Amount of Rehab if Bridge Loan	\$5,000,000	
Estimated Value after stabilization	\$65,000,000	
Estimated # months to stabilization	24	

HOTEL PROPERTY DESCRIPTION

	Actual	Proforma		Amenities
Number of Rooms:	290	290	Restaurant:	Yes
Occupancy:	50.00%	80.00%	Restaurant, Bar, Club:	No
Occupied Rooms:	52,925	84,680	House Pool / Jacuzzi:	Yes
Average Daily Rate:	\$175.00	\$250.00	Gym & Spa:	Yes
			Tennis Court:	No
Year Built / Year Renovated:	1985	2005	Golf Course:	No
Gross Building Area (Sq Ft):	150,000		Cable TV:	Yes
Hotel Type:	Hotel		Internet Connection:	Yes
Type of Facilities Offered:	All-Suite		Scenic View:	No
Hotel Class:	Mid-rate		Other Amenities:	
Hotel Chain / Franchise:	Yes		Other Amenities:	

Narrative

INCOME & EXPENSES

Income Revenue	Actual	Proforma	% of Gross	Comments
Rooms	\$9,261,875	\$9,261,875	53.46%	
Food	\$5,215,000	\$5,215,000	30.10%	
Beverage	\$2,031,000	\$2,031,000	11.72%	
Telephone	\$361,000	\$361,000	2.08%	
Other Income	\$456,000	\$456,000	2.63%	
Total Revenue	\$17,324,875	\$17,324,875	100.00%	
Department Expenses				
Rooms	\$2,122,000	\$2,122,000	22.91%	
Food & Beverage	\$5,208,000	\$5,208,000	71.87%	
Telephone	\$320,000	\$320,000	88.64%	
Other Expenses	\$265,000	\$265,000	58.11%	
Total Departmental Expenses	\$7,915,000	\$7,915,000	45.69%	
Department Income	\$9,409,875	\$9,409,875	54.31%	
Undistributed Operating Expenses (UDOE)				
Administrative & General	\$1,359,000	\$1,359,000	7.84%	
Management Fee	\$502,000	\$502,000	2.90%	
Marketing	\$821,000	\$821,000	4.74%	
Property Operations & Maint.	\$623,000	\$623,000	3.60%	
Energy (Utilities)	\$644,000	\$644,000	3.72%	
Total UDOE	\$3,949,000	\$3,949,000	22.79%	
Income Before Fixed Charges	\$5,460,875	\$5,460,875	31.52%	
Fixed Charges				
Property Tax	\$456,000	\$0	0.00%	
Insurance	\$107,000	\$107,000	0.62%	
Reserves (FF & E's)	\$504,000	\$504,000	2.91%	
Total Fixed Charges	\$1,067,000	\$611,000	3.53%	
Total Income	\$17,324,875	\$17,324,875	100.00%	
Total Expenses	\$12,931,000	\$12,475,000	72.01%	
Net Operating Income (NOI)	\$4,393,875	\$4,849,875	27.99%	
1st TD Debt Service	(\$2,850,620)	(\$2,850,620)		
DSCR 1st TD	1.54	1.70		
2nd TD Debt Service	\$0	\$0		
Combined Debt Service(1st & 2nd)	(\$2,850,620)	(\$2,850,620)		
Combined DSCR (1st & 2nd)	1.54	1.70		
Cash Flow	\$1,543,255	\$1,999,255		
Cap Rate	8.79%	9.70%		
Cash on Cash Return	8.82%	11.42%		
Income Ratios				
Food to Rooms	56.31%		Value per Room	\$172,414
Food to Beverage to Rooms	78.23%		Cost per Sq Ft	\$333
Telephone to Rooms	3.90%		Loan to Value (LTV)	65.00% (1st TD)
Other to Rooms	4.92%		Combined (CLTV)	65.00% (1st & 2nd TD)
Beverage to Food	38.95%			

DEBT YIELD SIZER

Required Debt Yield	15.00%
Loan Amount	\$29,292,500

DCR Loan Sizer

NOI	\$4,393,875
NOI for DS	\$3,138,482
Minimum DCR	1.400
Max Loan / DCR	\$35,781,925
Interest Rate	6.250%
Amortization	20