The CRITTENDEN REPORT® Real Estate Financing

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TOP LAND LENDERS

(2015 PROJECTED ORIGINATION VOLUME AND PREFERENCES)

LENDER	VOLUME	DETAILS
Madison Realty Capital	$200M	Funded $602M YTD for all property types; $5M-$150M loans for prime-located land; 12- to 24-month terms; up to 60% LTV; 10% rates with 2 points; major markets such as N.Y.C., Miami
Pensam Capital	$100M	$3M-$15M loans with a focus on infill, zoned and entitled multifamily sites; 50% LTV; 12-month terms with one, 12-month extension; high single-digit rates; quick closings; nationwide
JCR Capital	$75M	Funded $50M YTD; $3M-$25M loans for infill, residential and commercial entitled land; IRR waterfall; major markets
Revere Capital	$60M	Funded $38M YTD; $2M-$20M loans for entitled parcels; one- to three-year loans; less than 60% leverage; 10%+ all-in costs; urban top 10 MSAs
INCA Capital	$50M	Funded $30M YTD; $750K-$15M loans for entitled land, will consider agricultural land in the metro

BULLISH MEZZ LENDERS
(PRICING AND PREFERENCES)

LENDER	RATES	DETAILS
Pearlmark	8%-12%+	Will originate $150M-$200M of mezz debt this year; funded $65M YTD; $5M+ loans for office, industrial, apartment, retail, hotels, student housing, MOB; existing asset and construction deals; up to 85% LTV
Related Fund Management	9%+	Will originate $400M-$500M of mezz debt this year; $15M+ loans for all asset classes and ground-up construction; up to 90% LTC
W Financial	10%-11%	Will originate $10M of mezz debt this year; funded $5M YTD; $1M-$20M loans; cash-flowing properties
Morrison Street Capital	10%-12%	Will originate $40M-$50M of mezz debt this year; funded $25M YTD; $2M-$6M loans for office, retail, multifamily, industrial, hotels; gap at refinancing, acquisition capital, partner buy-out deals; 85% LTV
Colony Capital	11%+	$20M+ loans for all properties; up to 90% leverage
Newport Capital Advisors	12%	Will originate $30M-$50M of mezz debt this year; funded $5M YTD; $1M-$10M loans with a multifamily preference, other assets considered; flexible prepayment, no yield maintenance or defeasance; secondary, tertiary markets
Shem Creek Capital	13%-15%	Will originate $20M-$30M of mezz debt this year; funded $10M YTD; $1M-$4M loans for all major food groups; up to 85%-90% leverage
Torchlight Investors	13%-15%+ IRRs	Will originate $350M of mezz debt this year; $10M-$100M loans for multifamily, office, retail, industrial/warehouse, hotels, student housing, MHC; up to 90% LTC
Terra Capital	Low to mid-teens	Will originate $350M of mezz debt this year; funded $250M YTD; $3M-$30M loans for land predevelopment, development, value-add and stabilized assets; up to 90% LTV

Other Active Mezz Lenders:

Lowe Enterprises Investors, Libor-plus 1075 basis point rates; will originate $100M of mezz, pref equity and senior loans this year; funded $26M of mezz and senior debt YTD; $8M-$40M loans primarily for hotels, branded or

PRIVATE LENDERS PICK UP TRICKY HOTEL LOANS…

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Rockbridge provides $8M to $100M loans for 2.5- to 4-star hotels with between 100 and 400 rooms. The lender funds deals in need of capital due to deferred maintenance and/or distressed capital structures. Rockbridge also lends on new or recently renovated hotels that are in need of recapitalization, but have not yet reached their full potential. Terms will be five to seven years and LTV can reach up to 90%. Rates will be in the 5% to mid-8% range. Rockbridge provides non-recourse financing with standard carve outs and targets 8%-plus debt yield. **Mesa West**, **Prime Finance**, **Canyon Partners Real Estate**, **Oaktree Capital Management**, **Square Mile Capital** and **Clearwater Capital** will also be active. Watch for new player **MidCap Financial** to pick up market share in the coming months.

ORIX originates $10M to $40M loans for select-service hotels with major flags. LTC will be 65% to 75% with Libor-based rates north of 7%. Terms will be three to five years for construction and repositioning

BANKS, LENDERS & EQUITY PROVIDERS

(Supplemental to the Directory)

Access Point Financial: 1 Ravinia Drive, Ninth Floor, Atlanta, GA 30346. Heather Duvall, Managing Director, (404) 382-9592. hduvall@accesspointfinancial.com

Emerald Creek Capital: 1 Penn Plaza, Suite 3406, New York, NY 10119. Jeff Seidler, Director, (212) 239-6517. jeff@emeraldcreekcapital.com

Lowe Enterprises Investors: 11777 San Vicente Blvd., Suite 900, Los Angeles, CA 90049. Cara Leonard, SVP, (310) 571-4258; Keegan Bisch, VP, (310) 571-4283. cleonard@loweenterprises.com; kbisch@loweenterprises.com

Madison Realty Capital: 825 Third Ave., Floor 37, New York, NY 10022. Marc Zegen, VP, (646) 442-4807.

DEALMAKER DATABANK

Aries Capital 216 W. Ohio St., Fifth Floor, Chicago, IL 60654 Jeff Bucaro, SVP (312) 640-7423 jbucaro@ariescapital.com	Aries Capital secures a $13.1M loan for an exterior corridor boutique hotel in Panama City, Fla., with a publically traded mortgage REIT lender. The lender liked the solid cash flow, strong management company and beachfront location with tourist traffic.
BMC Capital, LP	BMC closes a $6.1M acquisit

AMPLE CAPITAL FOR VACANT ASSETS: HAVE WE REACHED THE PEAK?

In today's hot lending market, banks and debt fund lenders move up the risk curve in their search for yield and now fund existing vacant properties without blinking an eye. Empty multifamily assets with plans for deep value-add to increase rents will be desired, followed by office, retail and industrial properties. Debt funds will provide non-recourse options for vacant assets. Rates start as low as 4%. Leverage could surpass 75% in the coming months, as lenders will be more than happy to lend on future potential. Sound familiar? This risky lending begs the question, have we reached the peak? Are lenders taking on too much risk and repeating the mistakes of the past?

Borrowers will pay more for non-recourse loans. Debt funds will charge 7% to 12% for vacant-asset deals, which will be higher than stabilized properties. Count on debt funds to originate 60% to 75% leverage on