



STRUCTURED FINANCE PROGRAMS

PHILOSOPHY	Terms and pricing of individual transactions are dependent on project leverage, debt service coverage, evaluation of the underlying real estate and the sponsorship. LEM executes quickly and efficiently, from term sheet to closing.
LOAN STRUCTURES	Mezzanine loans, preferred equity, B-notes and other creative structures as necessary to meet transaction requirements.
LOAN AMOUNTS	\$5,000,000 - \$35,000,000 per property; no limit for portfolios.
PROPERTY TYPES	Multifamily, student housing, senior housing, office, medical office, industrial, retail, and hospitality on a nationwide basis.
TERM	Generally 3 to 10 years.
MAXIMUM LTV/LTC	Maximum LTV of 85%. LTV greater than 85% may be allowed with enhancement.
MINIMUM DSCR	Minimum DSCR of 1.10x, based upon actual or proforma cash flows. DCSR less than 1.10x may be allowed with enhancement.
INTEREST RATES	Market based pricing, currently 12% to 16%.
FEES	Generally 1.0% to 2.0% up-front.
AMORTIZATION	Payments are generally interest-only.
PREPAYMENT	Generally defeasance, negotiable in certain situations.
NON-RECOURSE	Generally non-recourse, except for standard lender carve-outs.
OTHER FEATURES	Loan structures are tailored to each individual transaction and may include accruals and look-back payments. Loans may also include funding for capital improvements.
SAMPLE TRANSACTION TYPES	<p><u>Debt Restructuring:</u> LEM will assist with maturing loans that require additional capital for refinance or extension.</p> <p><u>Acquisition:</u> LEM works with all first mortgage lenders to provide joint funding along with new first mortgage originations of up to 85% of value.</p> <p><u>Existing Debt:</u> LEM specializes in providing capital for transactions where there is existing non-prepayable first mortgage debt. LEM has worked with a number of different servicers and special servicers to develop structures that either comply with existing loan covenants or can be approved quickly.</p> <p><u>Partner Buyouts:</u> LEM provides funds for transfers of ownership on existing properties, particularly where there is existing debt or where required funds are in excess of senior debt levels.</p>
ABOUT LEM	LEM is a \$450 million series of private equity funds that provides subordinate financing as a direct lender behind all types of senior lenders including: Freddie Mac, Fannie Mae, commercial banks, insurance companies and conduits. LEM is also an active purchaser of B-notes, mezzanine loans and other subordinate debt.

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