



## STRUCTURED FINANCE PROGRAM

<b>PHILOSOPHY</b>	Terms and pricing of individual transactions are dependent on project leverage, debt service coverage, evaluation of the underlying real estate and the sponsorship.
<b>LOAN STRUCTURES</b>	Preferred equity, mezzanine loans, B-notes, bridge loans and other creative structures as necessary to meet transaction requirements.
<b>LOAN AMOUNTS</b>	\$5,000,000 - \$20,000,000 per property; no limit for portfolios.
<b>PROPERTY TYPES</b>	Multifamily, office, student housing, senior housing, industrial, hotel and retail on a nationwide basis.
<b>TERM</b>	Generally 3 to 7 years
<b>MAXIMUM LTV/LTC</b>	A maximum LTV of 80% - 90%
<b>MINIMUM DSCR</b>	Minimum DSCR of 1.10x
<b>INTEREST RATES</b>	Market based pricing, currently 12% to 16%
<b>FEES</b>	1% to 2% up-front; exit fees negotiable
<b>AMORTIZATION</b>	Payments are generally interest-only
<b>PREPAYMENT</b>	Prepayment based on treasury yield to maturity
<b>NON-RECOURSE</b>	Generally non-recourse, except for standard lender carve-outs.
<b>OTHER FEATURES</b>	Loan structures are tailored to each individual transaction and may include accruals and look-back payments. Loans may also include funding for capital improvements.
<b>SAMPLE TRANSACTION TYPES</b>	<p><b><u>Rescue Financing:</u></b> LEM will assist with maturing loans that require additional capital for refinance or extension.</p> <p><b><u>Acquisition:</u></b> LEM works with all first mortgage lenders to provide joint funding along with new first mortgage originations of up to 80% - 90% of cost.</p> <p><b><u>Purchase Distressed Debt:</u></b> LEM will purchase or finance the purchase of distressed debt from motivated sellers. We will work with potential borrowers to buy debt at a discount. LEM can also provide structures that defer taxable income from discounts or cancellation of debt.</p> <p><b><u>Partner Buyouts:</u></b> 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>
<b>ABOUT LEM</b>	LEM manages a series of private equity funds with over \$450 million of equity. Since 2002, LEM has provided preferred equity, mezzanine loans, subordinate financing and other structured debt and equity solutions to commercial real estate owners.

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