



▣ D2's Preferred Equity Program targets assets nationwide with full discretionary balance sheet capability. D2's leadership has a demonstrated track record of providing certainty of execution across all geographies and varying economic environments.

<b>Investment Sizes</b>	<ul style="list-style-type: none"> <li>▣ \$3 million and above</li> </ul>
<b>Investment Purpose</b>	<ul style="list-style-type: none"> <li>▣ Acquisition, recapitalization and refinance with the ability to accommodate a wide range of business plans, including light value add, lease-up and timing needs</li> </ul>
<b>Eligible Property Types</b>	<ul style="list-style-type: none"> <li>▣ Conventional, non-LIHTC affordable, student and age-restricted multifamily properties in addition to 3- to 5-star MHCs</li> </ul>
<b>Eligible Markets</b>	<ul style="list-style-type: none"> <li>▣ Primary, secondary and strong tertiary markets nationwide</li> <li>▣ Selective in markets with high exposure to any one specific industry</li> </ul>
<b>Term</b>	<ul style="list-style-type: none"> <li>▣ Generally, less than 5-years and usually co-terminus with the maturity date of the first mortgage loan</li> </ul>
<b>Pay Type</b>	<ul style="list-style-type: none"> <li>▣ Combination of Hard and Soft pay Agency-compliant structures</li> <li>▣ Upfront reserves may be required to cover hard pay portion</li> </ul>
<b>Origination Fee</b>	<ul style="list-style-type: none"> <li>▣ Target of 1.0%</li> </ul>
<b>Sizing Constraints</b>	<ul style="list-style-type: none"> <li>▣ LTV and LTC ratios up to 90%</li> <li>▣ Stabilized DY target between 6.5% and 7.0%</li> </ul>
<b>Recourse Requirements</b>	<ul style="list-style-type: none"> <li>▣ Non-recourse subject to customary carve-outs for bad-boy acts</li> </ul>
<b>Prepayment</b>	<ul style="list-style-type: none"> <li>▣ Flexible subject to minimum equity multiple</li> </ul>
<b>Rights and Remedies</b>	<ul style="list-style-type: none"> <li>▣ Primarily a Forced Marketing and Sale of the asset</li> <li>▣ May also consider:             <ul style="list-style-type: none"> <li>▣ Change of Control</li> <li>▣ Change of Property Manager</li> </ul> </li> </ul>

**David M. Brickman**

President of D2 Residential

dbrickman@d2-am.com

+1 (703) 622-1964

**John M. Cannon**

Head of Multifamily Sourcing

jcannon@d2-am.com

+1 (215) 356-8386