



▣ D2's Multifamily Construction Lending Program targets opportunities nationwide with full discretionary balance sheet capability. D2 can execute in both whole loan and sub-debt form.

<b>Eligible Markets</b>	<ul style="list-style-type: none"> <li>▣ Top 50 MSA's</li> <li>▣ Selective in markets with high exposure to any one specific industry</li> </ul>
<b>Eligible Multifamily Property Types</b>	<ul style="list-style-type: none"> <li>▣ Conventional or Age-Restricted multifamily (No Condo Projects)</li> </ul>
<b>Minimum Loan Size</b>	<ul style="list-style-type: none"> <li>▣ \$15 million for whole loan execution</li> <li>▣ \$5 million for sub-debt execution (Mezz, B-Note, or Hard Pref Equity)</li> </ul>
<b>Max LTC</b>	<ul style="list-style-type: none"> <li>▣ 75% (+/- 5% depending on Market / Sponsor)</li> </ul>
<b>Interest Rate</b>	<ul style="list-style-type: none"> <li>▣ Interest only 30-day SOFR plus a fixed spread commensurate with risk</li> <li>▣ SOFR cap required</li> </ul>
<b>Recourse</b>	<ul style="list-style-type: none"> <li>▣ Non-Recourse, subject to Guaranties outlined below</li> </ul>
<b>Guaranties</b>	<ul style="list-style-type: none"> <li>▣ Completion / Funding / Environmental / Limited</li> </ul>
<b>Term</b>	<ul style="list-style-type: none"> <li>▣ Dependent on construction timeline. Typically, 2+1+1 <u>or</u> 3+1+1</li> </ul>
<b>Interest Reserve</b>	<ul style="list-style-type: none"> <li>▣ Required, based on Lender projections with offsets for income</li> <li>▣ Whole Loans: Interest reserve line item to be included in final budget</li> <li>▣ Sub-Debt: Lender controlled interest reserve account will be established and funded prior to any draws</li> </ul>
<b>Fees</b>	<ul style="list-style-type: none"> <li>▣ 1.00% Origination Fee</li> <li>▣ 1.00% Exit Fee (waived if D2 provides takeout financing)</li> </ul>
<b>Liquidity / Net Worth Tests</b>	<ul style="list-style-type: none"> <li>▣ Required (determined on deal-by-deal basis)</li> </ul>
<b>Prepayment</b>	<ul style="list-style-type: none"> <li>▣ Open, subject to minimum interest/profit stipulation</li> </ul>
<b>Extension Options</b>	<ul style="list-style-type: none"> <li>▣ 0.50% fee for first extension and 0.75% fee for second extension</li> <li>▣ Extension tests determined on deal-by-deal basis but likely to include replenishment of interest reserve, minimum debt yield and/or DSCR, SOFR cap renewal, and maximum LTV by new appraisal</li> </ul>

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