



## STANDARD MEZZANINE LOAN TERMS

<b>Property Type:</b>	All property types considered.
<b>Property Location:</b>	Anywhere in the United States.
<b>Mezzanine Loan Amount:</b>	\$500,000 - \$5,000,000.
<b>Collateral:</b>	2nd Mortgage, if permissible, and pledge of stock of the borrowing entity. All loans are recourse and carry a full, unconditional borrower guaranty.
<b>Use of Proceeds:</b>	Proceeds may be used for real estate acquisition, land development, construction costs, equipment, and working capital.
<b>Loan Term:</b>	1 to 3 years with a clear exit strategy in place. Prepayable anytime after the 1st year with no penalty.
<b>Property Leverage:</b>	Up to 85% (including mezz) of project cost.
<b>Interest Rate:</b>	10% -14% per annum, interest only.
<b>Commitment Fee:</b>	3% - 6% of Loan Amount.
<b>Exit Fee:</b>	10% - 14% per annum of Loan Amount.
<b>Application Fee:</b>	\$10,000 - \$25,000, non-refundable if the loan commitment is in compliance with Southpoint's letter of interest.
<b>Processing:</b>	Approvals within 48 hours, commitments within 5 days and closing in as little as 2 weeks.
<b>Submissions:</b>	Property and area description; 3 years historical operating statements, if applicable; sources & uses of funds; development time line; pro-forma budget and cash flow statement; Developer financial statements and resume; detail on existing and pro-forma debt; schedule of capital expenditures; appraisal, if available; market analysis; and clearly defined exit strategy.