



STANDARD PREFERRED EQUITY TERMS

Property Type:	All property types considered.
Property Location:	Anywhere in the United States.
Southpoint Equity:	\$500,000 - \$5,000,000.
Developer Equity:	Minimum 10% of project cost.
Use of Proceeds:	Proceeds may be used for real estate acquisition, land development, construction costs, equipment, and working capital.
Holding Period:	1 to 3 years with a clear exit strategy in place.
Property Leverage:	Up to 75% of project cost.
Preferred Return:	12% -16% per annum with liquidation preference. Rate dependent on the risk profile of transaction.
Profit Sharing:	Tiered profit sharing once Preferred Return is achieved. Tiers and splits based on the risk profile of transaction and amount of developer equity in the deal.
Application Fee:	\$10,000 - \$25,000, non-refundable if the equity commitment is in compliance with Southpoint's letter of interest.
Processing:	Approvals within 48 hours, commitments within 10 days and closing in as little as 3 weeks.
Submissions:	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.