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# ENVOYNNN

**Build more with less equity.**  
Envoy's highly leveraged construction loan program for net lease properties.

## TRANSACTIONS PREFERRED

- Single tenant, net leased developments
  - *Build to suit*
  - *Redevelopments*
- Types: All single-tenant NNN property types
- Credit and recognized NNN tenants
- Geographic areas: nationwide
  - *Better the credit, the smaller the market*
- Fully entitled, shovel-ready projects
- Minimum lease term: 10 years, NNN format
- Experienced developers
  - *Preferred developer status, or*
  - *Market-focused NNN specialist*
- Highly probable exit strategy in place
- Repeatable business relationships

## DEAL STRUCTURE DETAILS

- Envoy would provide up to 95% LTC
  - *Up to 80% LTV "As Completed," or*
  - *Minimum DSCR ratio: 1.10*
- Deal Size: \$800,000 - \$8,000,000
- Loan Terms:
  - *24-month maximum loan period*
  - *12-month maximum funding period*
  - *Open prepayment after completion*
- Pricing:
  - *Prime-based interest*
  - *Interest only*
  - *Origination and exit fees*
- Multi-property credit facilities are available
- Recourse Guaranty required

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# Construction Loan Comparison

	Traditional Bank Construction Loan	Envoy A/B Construction Loan
<b>Underwriting</b>		
Maximum LTC	80.0%	97.0%
Maximum LTV	70.0%	85.0%
Minimum DSCR	1.25	1.15
<b>Due Diligence</b>		
Appraisal	Yes	Yes
Env. & Other Reports	Yes	Yes
<b>Loan Documents</b>		
Loan Agreement	One Set	One Set
Promissory Notes	One Set	Two Notes
Guarantee	Full Recourse	Full Recourse
Closing	Bank's Attorney	One Attorney
Closing Costs	Bank's Only	Bank's + Envoy's Capped
<b>Pricing Example: Single Tenant Credit Tenant *</b>		
Interest Rate	Prime +175 bps	Prime +275 bps
Origination Fee	1.00%	1.50%
Exit Fee	N/A	1.0% - 2.0%
Total Costs	\$3,000,000	\$3,000,000
Total Loan Proceeds	\$2,400,000	\$2,850,000
Total Equity Required at Closing	\$600,000	\$90,000

\* Based on a credit tenant with solid borrower financials. Pricing may vary depending on transaction size, tenant creditworthiness and borrower's financial strength.

## ENVOY'S 2016 CONSTRUCTION TRANSACTIONS

Construction Loan	Construction Facility	Ground Lease	Construction Facility	Construction Facility
<p><b>Sleep Number</b> Phoenix, AZ \$3.8MM</p>	<p><b>Urgent Care Extra</b> Goodyear, AZ \$2.3MM</p>	<p><b>CVS Pharmacy</b> Merced, CA \$4.2MM</p>	<p><b>Goodwill Industries</b> Las Vegas, NV \$4.5MM</p>	<p><b>Chipotle Restaurant</b> Twin Falls, ID \$1.6MM</p>