

# Financing the Gap: Today's Capital Markets

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## BETTER RELATIONSHIPS. BETTER RESULTS.

As a capital markets leader, NorthMarq offers commercial real estate investors access to experts in debt, equity, investment sales, and loan servicing to protect and add value to their assets. For capital sources, we offer partnership and financial acumen that support long- and short-term investment goals. Our culture of integrity and innovation is evident in our 60-year history, annual transaction volume of \$13 billion, loan servicing portfolio of more than \$56 billion and the multi-year tenure of our more than 500 people.



### DEBT & EQUITY

As the country's largest privately-owned provider of commercial real estate debt and equity, we maintain strong relationships with institutional providers of capital, including life companies, Freddie Mac, Fannie Mae, FHA/HUD, Wall Street and local, regional and national banks.



### INVESTMENT SALES

NorthMarq offers commercial real estate investors in select markets a personalized approach to buying/selling multifamily properties, combining local market knowledge with our national platform to develop creative solutions for your real estate investment opportunities.



### LOAN SERVICING

With 30+ years of experience, there isn't much NorthMarq hasn't seen or solved in commercial mortgage loan servicing. We provide servicing for performing, non-performing and sub-performing commercial real estate loans of all types, including life insurance, CMBS and agency lender portfolios.

## TRANSACTION VOLUME



## LOAN SERVICING



## PROPERTY TYPES

Multifamily	Hospitality	Office
<i>Affordable</i>	Industrial	Other
<i>Green Properties</i>	Land	Retail
<i>Market Rate</i>	Medical Office	Self Storage
<i>Manufactured</i>	Mixed Use	
<i>Senior Housing</i>		
<i>Student Housing</i>		

## LENDER TYPES

Banks	FHA/HUD	Mezzanine
Bridge	Freddie Mac	Other
CMBS	International	Preferred Equity
Credit Unions	Joint Venture	Private Lenders
Fannie Mae	Life Company	Specialty

# Available Debt Sources

- Bank
- Life Companies
- Agency (Fannie, Freddie, FHA)
- CMBS
- Debt Funds

## Local and Regional Banks

- Construction, Transitional, Short Hold Projects
- Up to 75% Leverage
- Fixed or Floating Rates from 4.5%-6.0%
- 3-5 Year Terms
- 20-25 Year Amortization, Interest Only Available
- Full Personal Recourse
- 1/2%-1% Bank Origination Fee
- Reasonable Closing Cost and Process
- Limited to no prepay structure

## Life Company

- Stabilized Deals
- Up to 75% Leverage, but prefer to be <65%
- Fixed or Floating Rates from 3.25%-4.25%
- 3-25 Year Terms
- Up to 25 Year Amortization
- Typically Non-Recourse
- Par Lender
- Reasonable Closing Cost and Process
- Prepayment Penalty-Step Down or Yield Maintenance

## Agency Debt-Fannie & Freddie

- Stabilized Deals-90% for 90 days
- Up to 80% Leverage, market dependent
- Fixed or Floating Rates from 3.25%-4.00%
- Terms from 5-30 Years
- 30 Year Amortization, Interest Only Available
- Non-Recourse
- Standardized Closing Process
- Step Down Prepay or Yield Maintenance
- Additional programs - SBL, Affordable, Near-Stabilized, and Mod Rehab
- Pricing for Affordable deals is very attractive

## Agency Debt-FHA

- Construction (221D4) or Stabilized Deals (223F)
- Up to 85% Leverage to a 1.17x DSCR
- Fixed Rates from 3.15%-3.7%
- Fully Amortizing 35-40 Year Loans
- Interest Only Available
- Non-Recourse
- 12 Month Process on D4, 4-6 Months on 223F
- Step Down Prepay
- Market Rate, Affordable, Age Restricted or Healthcare Projects



## CMBS

- Stabilized Deals
- Up to 75% Leverage
- Fixed Rates from 3.75%-4.5%
- 10 Year Term
- 30 Year Amortization
- Interest Only Available, Full Term IO at 65% LTV
- Non-Recourse
- No Lender Fee, but watch the closing cost
- 30-45 day closing
- Yield Maintenance or Defeasance Prepay Structure

## Debt Funds

- Transitional Assets
- Up to 85% Leverage, typically 75% of Cost
- Floating Rates from 4.5-6.0%
- 3 Year Terms with two 1 year extension options
- Interest Only with amortization in extensions
- Non-Recourse, completion guarantee
- Lender Fees of 1% Origination/1% Exit
- Lockout to Prepay for 12 Months
- 12-18 Month guaranteed interest as prepay structure

# Recent Transactions

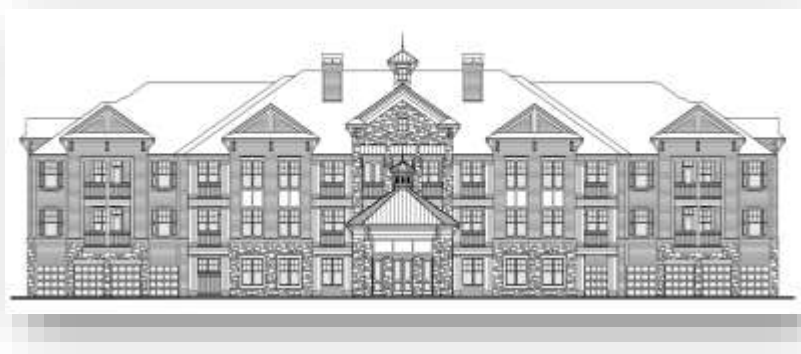


Deal Type	Grocer Anchored Retail
Location	Baton Rouge, LA
Lender Type	CMBS
Leverage	75%
Interest Rate	4.25% Fixed
Term	10 Years
Amortization	30 years after 3 years IO
Transaction Type	Acquisition



Deal Type	Multifamily
Location	Houston, TX
Lender Type	Debt Fund-Bridge
Leverage	75% to total cost
Interest Rate	3.25% + Libor Floating
Term	3+1+1 Years
Amortization	Interest Only
Transaction Type	Acquisition/Rehab

# Recent Transactions



Deal Type	Multifamily
Location	Kingwood, TX
Lender Type	FHA-221D4
Leverage	85%
Interest Rate	3.25% Fixed
Term	40 Years
Amortization	40 years
Transaction Type	Construction

Deal Type	Single Tenant Retail
Location	Bossier City, LA
Lender Type	Life Company
Leverage	65%
Interest Rate	4.30% Fixed
Term	20 Years
Amortization	20 Years
Transaction Type	Refinance

# Recent Transactions



Deal Type	Medical Office
Location	Houston, TX
Lender Type	Regional Bank
Leverage	75%
Interest Rate	4.75% Fixed
Term	5 Years
Amortization	3 Years IO, then 25 Years
Transaction Type	Construction



Deal Type	Multifamily Portfolio
Location	Various, TX
Lender Type	Fannie Mae
Leverage	75%
Interest Rate	3.72% Fixed
Term	10 Years
Amortization	30 Years after 5 years IO
Transaction Type	Cash-Out Refinance