



EM Preferred Equity Program Parameters & Pricing

Preferred Return (Current)	Total Return (All-In)	Equity Participation	Max LTC
9% - 12%+	13% - 18%	Deal-Dependent	85%
9% - 12%+	15% - 20%+	Required*	86%-90%

EM Participation Amount

\$1,000,000 - \$5,000,000
Firm Commitment up to \$5M

Fees & Costs

Due Diligence & Expenses	0.50% - 1.00%
Origination Fee	3.00%

Sponsor Type & Requirements

Relevant recent transactions (past 24 months)
No history of late payments or default
Non-recourse carveout guaranty
Completion guaranty on construction/redevelopment
Existing geographic footprint
Criminal & bankruptcy background check

Process and Timeline

Day 1: Sponsor delivers initial due diligence materials to EM (see Initial Due Diligence Requirements section)
Day 2-7: EM underwrites opportunity, reviews due diligence, and delivers proposed terms to Sponsor
Day 7-10: Negotiate, finalize, and execute financing engagement agreement and term sheet
Day 10-15: EM prepares offering materials and begins legal documentation
Day 15-20: Launch syndication on EM platform
Day 20-25: Execute closing documents, wire funds, closing

Initial Due Diligence Requirements

Loan Agreement / Term Sheet	Sponsor Profile and Track Record
Deed of Trust / Promissory Note	Sponsor History and PFS
Credit Memo / Offering Memorandum	Property Financial Analysis (Excel)
Business Plan of Sponsor	
Draft Appraisal (if available)	

Term

6 - 36-month initial term plus extension options

Property Types**

Multifamily, office, industrial, hospitality, retail, student housing, manufactured housing, self storage
Exclusions: unentitled land, single family residential

Geography

Continental U.S.
Preference for gateway and primary markets / strong secondary markets considered

Prepayment

Minimum 6-month preferred return payments

Preferred Equity Interest Reserve

As needed to support current payments in combination with property level cash flows

Funding Purpose

Acquisition & Development, Redevelopment, Bridge to Perm, Refinancing, Construction Funding

Execution Timeframe

2 - 6 weeks

Origination Fee

3.00% of the amount raised by EM

Servicing Fee (paid by EM Investors)

1.00% on the underlying preferred rate of return before delivery to EM investors

Contact Information:

Marius Sjulsen
marius@equitymultiple.com

Jonathan Lesser
jonathan@equitymultiple.com

Notes:

*Additional profit participation required for participating preferred (85-92% LTC)

**We further break down LTV/LTC by property type or phase of construction, with higher LTV/LTC available for improved commercial properties and lower LTV/LTC available for entitled land assets.