



Structured Financing – Bridge Loan

Potomac offers interim financing on commercial properties including multi-family, office, retail, industrial and hospitality nationwide. In addition, our quick turnaround allows the borrower to close in a shorter time frame than otherwise required for traditional permanent loans. Bridge financing gives owners the flexibility they need to reposition and stabilize properties. Potomac's conventional loan programs can provide permanent financing upon stabilization, creating a seamless exit.

Loan Amount

Generally \$2,000,000 minimum
No maximum

Loan Term

Generally 1 to 5 years
Extension options available

Amortization

Interest only or fixed principal paydowns

Minimum DSC

1.10 "As-Is"
1.20-1.25 at Exit

Maximum LTV

90% "As-Is"
75% - 80% at Exit

Interest Rate

Floating rate over LIBOR index. Spread varies based on risk and terms.

Eligible Property

Nationally located Apartments, Office, Retail, Hospitality, Industrial. No land development or special use projects.

Eligible Borrower

Single asset special purpose entity.

Sponsorship

Good overall credit with sufficient liquidity and demonstrated experience completing similar transactions.

Tax and Insurance Escrows

Monthly deposits required

Replacement Reserves

Monthly deposits required

Security

First mortgage lien on subject property. Additional credit enhancement (recourse, other collateral, letter of credit or other guarantees) to be determined.

Required Reports

Narrative MAI Appraisal, Property Condition Assessment and Phase I Environmental.

Prepayment

Generally permitted.

Subordinate Financing

Mezzanine provided by Potomac or financing may be provided by an approved third party lender.

Lender Fee

Origination and exit fees to be determined.