AVANA Oaktree Private Credit Partnership

AVANA COMPANIES

Custom lending solutions for experienced commercial real estate sponsors, focused on intermediate-term needs

Loan Structure & Terms

Loan Amount	$10MM - $30MM
Interest Rate	30 Day SOFR + 6.50% (1)
Term Length	Up to 36 months, option to extend subject lender approval and borrower loan performance and payment of extension fees – option to extend for up to 2 one-year periods.
Payment Structure	Monthly ACH payment of I/O Payment
Origination Fee	Up to 2.00%
Servicing Fee (1)	0.50% - based on commitment amount for term of loan and/or depending on level of property improvements and monitoring required
Lockout / Exit Fee	50% of the loan-term(2), followed by an exit fee of 1.00% on commitment amount
LTC	≤ 75% total project cost or 70% "as-stabilized" value
Target Markets	Top 250 MSAs in the USA

Credit Guidelines (Covenants)

To be Finalized in Underwriting

Min DSCR	1.25x
Min Debt Yield	9.00% - 12.00% (varies by Asset type)
Min Guarantor TNW	2x – 3x of Loan amount
Post Closing Liquidity	5% - 10% of Loan Commitment
Recourse	Joint and several personal guarantees from owners of RE Hold Co., & Operating Co., that have 10% or more in ownership

Escrow & Reserves

Escrow	Required for taxes and insurance; CAPEX Escrow - TBD in underwriting
Reserves	Final reserve amount or Percentage of Loan as reserves will be determined in underwriting

(1) Rate is set at closing at the greater of start rate or Floor Rate of 11.50% plus 0.50% as asset servicing / management fee.

(2) If loan is paid off within the lock out period, then the Exit fee will be the greater of 5% of commitment amount at closing or the equivalent yield maintenance the end of the Lock Out period.

(3) At closing all loan proceeds are disbursed and subject to hold back in an escrow account held with lender designated bank and subject to fund control and monitoring requirements as determined by lender.

Asset Classes

- Hospitality
- Multifamily
- Industrial
- Self-Storage
- Mixed use (Retail and Commercial)

Use of Proceeds

- Acquisition
- Debt Refinance
- Property Improvement and Equity Recapture (subject to LTC limitations)

All proceeds disbursed at closing (3)

Collateral

- 1st DOT / Mortgage & Assignment of Rents on Subject property pledged as collateral
- Pledge of LLC Certificates of RE Hold Co., & Operating Co., (if applicable)

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AVANA CAPITAL
PRESERVING WEALTH. CREATING GROWTH.

OAKTREE

Flexible Capital Solutions for Commercial Real Estate Sponsors

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To expedite review of your request and provide a Soft Quote or Letter of Interest, please provide the information requested below in an organized folder structure as presented below expedite your financing request.

Information Checklist

1. Financing Request:

- Executive Summary of the Request for Funding
- DETAIL Sources and Uses of Proceeds
- Business Plan with proforma income statement: Next 3 years - on a quarterly basis

2. Organization Data:

- Detailed Diagram of Organization Chart & Ownership Percentage Breakdown
- Articles of Organization, By Laws, Certificate of Good Standing

3. For all Subject property and all Business Entities related to the proposed collateral

- Last 3 years - Business Tax Returns from all entities listed in above-mentioned Organization Chart
- Last 3 years - Year End P & L and Balance Sheet from all entities listed in above-mentioned Organization Chart
- Most Recent Year to Date P & L and Balance Sheet that is less than 30 days old from all entities listed in above-mentioned Organization Chart
- For Hospitality ONLY:
  - Last 5 Years - STR Report for Year End and Most recent STR
  - Latest brand Quality Inspection Report
  - Franchise Agreement

4. Guarantor Financial Data:

- Personal Financial Statement from each shareholder greater than 10 % ownership or providing Personal Guarantee
- Last 3 years - Personal Tax Returns including K-1's from each shareholder greater than 10 % ownership providing Personal Guarantee
  - Last 3 years - Business Tax Returns from all entities owned by guarantors in which affiliate entity ownership is greater than 20%
  - Last 3 years - Year End P & L and Balance Sheet
  - Most Recent Year to Date P & L and Balance Sheet that is less than 30 days old

5. Project related Data if the property requires renovation / construction:

- Detailed Cost Breakdown with all project related data (drawing, plans and etc.)
- Copy of Executed GC Contract
- Equity Verification
  - Bank Statement
  - Copy of Settlement Statement of Land Acquisition
- **From General Contractor / General Contractor:** Statement of Qualification from GC that includes the following:
  - Last 3 years - Financial Statements and Business Tax Returns
  - Detail of Existing Projects that are ongoing
  - Completed Projects List within the last 24 months
  - Current YTD P&L and Balance Sheet
  - Management Bios & Key Personnel that will be assigned to this property
  - Business Reference – Existing Projects / Completed Projects / Bank and Trade References

Partner with AVANA to access bridge financing up to $30MM with interest-only payments and flexible terms for transitional commercial real estate

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