



Financing Structure	Explanation	Requirements	Availability		Current Terms				Comments
			Req'd Credit *	Sources	Pricing	Financing Level	Term (Yrs)	Amort	
<b>DEBT TRANSACTIONS</b>									
<b>Construction with Permanent Loan</b>	Construction loan converting upon completion to an amortizing term loan.	Required equity will vary depending upon tenant credit quality and length of lease term.	A,B,C,D	Banks, insurance companies, and specialty lenders.	Construction Period: LIBOR + 225bps to 400 bps. Permanent Loan: Low 4's to mid 5's, depending on credit of tenant.	Best credits up to 90% of cost	5-25 years	15-30 years commencing upon conversion	Single source financing for new facilities. Early rate lock option available.
<b>Interim Loan</b>	Short term loan for acquisition or refinance of an existing facility	Ample blend of credit and real estate value.	A,B,C,D	Banks, insurance companies, and specialty lenders.	Typically spread index between LIBOR +225bps to 400bps, fixed options in the low to high 5's.	Up to 75% of value.	Less than 5 years	15-30 years, some I/O possible.	Most suitable for borrower seeking maximum flexibility; can be ideal structure if property is subject to shorter term lease.
<b>Insurance Company Loan</b>	Typically fixed rate medium to long-term loan held in portfolio of originator	High quality general purpose real estate assets and strong credit.	A,B,C,D	Primarily insurance companies and some pension funds.	Rates currently in low 3's to high 5's, depending on term.	Best credits up to 75% of value.	5-25 yrs	15-30 years	Unlike most bank loans, recourse is not typically required.
<b>Bank Loan</b>	Fixed rate medium term loan	General purpose real estate assets.	A,B,C,D	Community, regional and national banks.	Rates currently at low 4's to mid 5's.	Best credits up to 75% of value.	5-10 years	15-30 years	Unlike insurance companies, covenants and recourse are typically required.
<b>Conduit</b>	Group of loans sold into the public markets.	Depending on objectives of lender, terms can be either short or long.	A,B,C	National Bank Groups, Wall Street and specialty lenders.	high 4's to mid 5's.	Best credits up to 75% of value.	5-10 years	20-30 years, I/O available.	Structures are similar to Insurance Companies with slightly higher coupons and leverage.
<b>SPECIALTY PRODUCT TYPES</b>									
<b>Restaurant Loans</b>	Loans to acquire or refinance individual or portfolios of restaurant loans.	Nationally recognized chains.	A,B,C	Insurance companies and specialty lenders.	Mid 5's to high 6's, depending on credit of tenant and location.	Usually not more than 60%, unless investment grade tenant.	5-20 years	10-20 years	Recourse may be required for this property type.
<b>GSA Loans</b>	Properties net leased to U.S. General Services Administration	Long term lease to U.S. Government Agency.	A	Insurance companies, banks and specialty lenders.	Mid 3's to high 5's.	Up to 80% of value.	10-25 years	15-30 years	GSA lease provisions may vary; loan terms and structures are dependent on specific lease terms.
<b>CTL</b>	Credit Tenant Lease loan; tenant with investment grade credit rating.	Loan term must closely match firm term of lease.	A	Insurance companies, banks and specialty lenders.	Mid 4's to mid 5's depending on loan term and credit of tenant.	Best credits up to 100% of value.	10-25 years	10-25 years	Loan advances are driven more by debt service coverage than LTV. Coverage as low as 1.01X.
<b>CREDIT DEFINITIONS</b>									
<b>A-</b> Investment Grade Credit (Rated debt with minimum Moody's Baa3 or S&P BBB- or unrated equiv.) <b>B-</b> Strong Credit (Moody's Ba, S&P BB, or equivalent, or large cap with solid trends)					<b>C-</b> Middle Market Companies (Companies deserving of unsecured bank credit) <b>D-</b> Higher Leveraged Companies (With solid operating history and trends)				
In recent years, the sources of real estate debt and equity have expanded and changed significantly. As a consequence, it is difficult even for real estate finance professionals to fully understand the focus of the many different capital sources. The intention of the "Sources Matrix" is to list all of the participants in the real estate finance and investment arena. In a sense, it is intended to provide a global view of real estate finance. ALTHOUGH THIS INFORMATION IS PREPARED CAREFULLY, FANTINI & GORGA CANNOT GUARANTEE ITS ACCURACY.									