



Financing Updates

FUNDED

Napa Valley Land Loan: \$8,300,000 development loan for raw land within the city of Napa. The project includes a proposed hotel and timeshare facility with a major flag, as well as an additional parcel to be zoned for office. The loan funds paid off the original acquisition debt and provided all monies for the development of the land including engineering, architectural and zoning plans. In addition, there was cash-out to those partners signing with personal recourse to reimburse their original equity investment, and for those partners not receiving cash-out reimbursements, the loan is non-recourse! Loan is for a two-year period, interest only at 13% with interest reserves and negotiated exit fees.

Larry Lehr, Ext. 43

LOAN DOCUMENTS ISSUED

Asian Retail Center: This is a 75% Loan to Value, \$6 Million refinance with approximately \$3 Million cash-out secured by an existing retail center anchored by an Asian supermarket in the greater Los Angeles area. The challenges were the type of tenants, the fact that the property is a "big box" department store converted to multi-tenant retail with 38 individual tenants and the property is encumbered by 3 senior land leases. Grace Capital was able to secure commitment for a fixed rate loan at a 2.50 spread over the 10 Year T-Bill, 30 year amortization due in 10 years with limited prepayment penalties.

Jonathan Kieswetter ext. 41

LOAN IN PROCESS

180 Unit Apartment Building, Vista, California: This is a \$10,075,000 refinance loan being processed under an Adjustable Loan Program at a rate of 5.49% (1.78 spread over 3 month LIBOR) with a 3% rate cap or a lifetime interest rate ceiling of 8.46%! 30 Year Amortization, 10 year due date and a 77.5% LTV, plus approximately \$4.5 Million cash out.

Jonathan Kieswetter ext. 41

LOI ISSUED

100% Financing for an A&D loan on un-entitled land: 160 acre parcel in Riverside County, California for the development of a commercial/retail project Grace Capital has secured a Letter of Interest last week providing the developer 100% financing for the acquisition, entitlement process costs, interest reserve and all closing costs. The lender is charging a preferred interest plus exit fees on a straight debt deed of trust.

George Hovanec ext. 42

PORTFOLIO REFINANCE TO GENERATE CASH FOR PURCHASE

Gas Lamp District of San Diego: Grace Capital is arranging for three separate loans for the refinance of three properties in the Gas Lamp area of downtown San Diego to provide the funds to purchase and rehab a fourth property. The refinance includes three mixed use properties of:

1. 28 apartment lofts over street level retail
2. Executive Suites over retail over basement bar and lounge, and
3. Ten apartment units over two retail tenants.

Financing is being arranged with three different lenders, to close within 30 days of each other. The purchase financing is 82% of the purchase and rehab costs to close on an early 1900's era apartment building in the Banker's Hill area of downtown San Diego.

Larry Lehr ext. 43