

Grace Capital News



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Winter 2002

Commercial Real Estate Financing, Equity & Investments

1st Quarter 2002 Report

Land Financing

FUNDED

JB Kieswetter Ext. 41

\$10,135,000 Land Loan Los Angeles, California

Refinance of raw land that had just received approval for Tentative Tract Map for residential and commercial uses but immediately following, an Appeal was filed against the TT Map Approval.

Important loan covenants include:

1. \$1,700,000 cash out to principal for capital reimbursement
2. Monies available for final map approvals
3. \$2,384,000 held back until Appeals to TT Map Approval has been cleared
4. Interest Reserve built into loan for 18 months

APPROVED

JB Kieswetter Ext. 41

\$7,485,000 Land Loan, California

Purchase financing of unimproved fully entitled land for residential lots.

Important loan covenants include:

1. Non-recourse financing
2. Interest Reserve and closing cost included in loan
3. Developer ordered appraisal accepted

APPROVED

George Hovanec, Ext. 42

\$14,000,000 Lot Development and Golf Course Bullhead City, Arizona

Refinance of a fully entitled unimproved land for the development of residential lots and golf course financing.

Important loan covenants include:

1. Cash out to take out partner
2. Non-recourse loan
3. All Closing & carry costs included in loan

APPROVED

George Hovanec, Ext. 42

\$3,500,000 Land Loan Park City, Utah

Refinance of unimproved land with Tentative Tract Map

Important loan covenants include:

1. Cash out to take out partners
2. Non-recourse loan
3. All Closing & carry costs included in loan

Market Rates

KEY RATE INDICES

Prime Rate	4.75%
11th District	2.74%
6-month T's	1.96%
5-year U.S. T's	4.56%
10-year U.S. T's	5.21%
30-year U.S. T's	5.67%
12-MAT	2.91%
LIBOR - 1 month	1.86%
LIBOR - 3 month	1.98%
LIBOR - 6 month	2.24%
LIBOR - 1 Year	2.85%

INTEREST RATES

Fannie Mae Fixed Rate (55% - 80% LTV)	6.55% - 6.98%
Fannie Mae ARM (65% - 77.5% LTV)	5.38% - 5.76%
Mobile Home Parks	6.55% - 7.75%
Commercial Properties	6.95% - 8.50%

Rates as of April 11, 2002. Please call for current rates.

LOI ISSUED

Larry Lehr, Ext. 43

\$5,800,000 Acquisition Loan, Surprise, Arizona

Purchase financing of raw, fully entitled land for residential lots.

Important Issues include:

1. Loan exceeds 92% of cost
2. Interest reserve for one year built into loan
3. Funding for Phase I of a two Phase project

LOI ISSUED

George Hovanec, Ext. 42

\$5,000,000 A&D and Mezanine Loan Maui, Hawaii

Acquisition & Development Mezanine Loan of unimproved land for ocean view residential lots.

Important issues:

1. 100% Financing
2. Pre-Sale Deposits to be used as developer equity
3. Mezanine Loan jumps to \$30 million A&D Loan