



**BLAIR COMPANIES**

# Ground Up Construction Program

These represent general guidelines and loan terms are subject to lender discretion.

		GROUND UP PROGRAM	EXPERIENCED DEVELOPER PROGRAM (3+ SIMILAR PAST PROJECTS)
Eligible Collateral	Loan Amount	<ul style="list-style-type: none"> <li>Min: \$50,000</li> <li>Max: \$3,500,000</li> </ul>	
	Property Count	<ul style="list-style-type: none"> <li>Min: 1</li> <li>Max: 2</li> </ul>	<ul style="list-style-type: none"> <li>Min: 1</li> <li>Max: 10</li> </ul>
	Permitted Property Types	<ul style="list-style-type: none"> <li>Eligible               <ul style="list-style-type: none"> <li>- Non-owner Occupied 1-4 unit residential</li> <li>- Townhomes</li> <li>- Condos</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Ineligible               <ul style="list-style-type: none"> <li>- Mixed use properties</li> <li>- 5+ unit multifamily properties</li> <li>- Condotels</li> <li>- Co-ops / TICs</li> <li>- Commercial Property</li> <li>- Log Homes</li> <li>- Properties Subject to Oil and/or Gas Leases</li> <li>- Operating Farms, Ranches, or Orchards</li> <li>- Vacation or Seasonal Rentals</li> <li>- Rural properties</li> </ul> </li> </ul>
	Submarket Liquidity	<ul style="list-style-type: none"> <li>Top 90%, Top 10% case by case with potential LTC cuts</li> </ul>	
	Maximum Loan to Cost	<ul style="list-style-type: none"> <li>Up to 75% of the lower of land value or purchase price/60% if unpermitted, plus 100% of construction</li> <li>Max 85% of total project costs</li> <li>LTC Catch Up Draw to raise initial advance to 75% at approval of required plans/permits post-closing</li> </ul>	<ul style="list-style-type: none"> <li>Up to 75% of the lower of land value or purchase price/60% if unpermitted, plus 100% of construction</li> <li>Max 90% of total project costs</li> <li>LTC Catch Up Draw to raise initial advance to 75% at approval of required plans/permits post-closing</li> </ul>
	Maximum Loan to ARV	<ul style="list-style-type: none"> <li>Up to 70%</li> </ul>	
	Loan Terms	Reserves/Escrows	<ul style="list-style-type: none"> <li>Interest Reserve: Minimum 1 month</li> </ul>
Term Length		<ul style="list-style-type: none"> <li>12 months, Up to 18 at Lender Discretion</li> </ul>	<ul style="list-style-type: none"> <li>12 months, Up to 24 at Lender Discretion</li> </ul>
Recourse		<ul style="list-style-type: none"> <li>Full Recourse</li> </ul>	
Minimum FICO		<ul style="list-style-type: none"> <li>680 Midscore</li> </ul>	<ul style="list-style-type: none"> <li>680 Midscore</li> </ul>
Third Party Construction Reports			<ul style="list-style-type: none"> <li>3<sup>rd</sup> party feasibility study for 3+ unit developments</li> <li>3<sup>rd</sup> party vendor to monitor draws for developments</li> </ul>
Minimum Net Worth & Liquidity		<ul style="list-style-type: none"> <li>Minimum net worth of 10% of the loan amount</li> </ul>	<ul style="list-style-type: none"> <li>Minimum net worth of 10% of the loan amount</li> <li>Bank statements showing 10% of the loan amount post-close liquidity for developments</li> </ul>
Guarantor Requirements	Experience	<ul style="list-style-type: none"> <li>Previous real estate experience required: 1-2 Ground ups</li> <li>GCs if experience if permits tie to Ground ups</li> <li>Guarantors with no experience permitted on a case by case basis</li> </ul>	<ul style="list-style-type: none"> <li>Previous real estate experience required: 3+ similar Ground-up builds + heavy rehabs with expansion. Professional deveopment / builder.</li> <li>Guarantors with no experience permitted with experienced guarantor that meets the above experience criteria</li> </ul>
	Profit Test	<ul style="list-style-type: none"> <li>Minimum 30% ROI</li> <li>If fail, must pass 1.20 DSCR test on a market 30-year FRM</li> </ul>	