



**Parcel:** 15-02-232-001

**Collateral:** Small industrial/garage structure planned for teardown and redevelopment into townhomes

**Loan Amount:** \$280,000

**As-Is Collateral Value:** Supported by market comps and development feasibility

**LTV at Origination:** Approx. 70%

**Term:** 6 months with extensions

**Rate & Fees:**

- 12% annual interest
- 2% origination fee
- interest accrues and origination fee paid at exit

**Structure:** Non-recourse secured by Deed of Trust

**Use of Proceeds:** Bridge capital for entitlement, design, and pre-development planning prior to securing a construction or takeout facility.

**Borrower Plan / Exit:** Refinance ACS upon full approval and entitlement, converting to **construction financing** for a multi-unit townhome development.

#### Key Strengths

- **High-conviction entitlement scenario:** Zoning, density, and site geometry make the planned redevelopment both feasible and aligned with city priorities for infill housing.
- **Attractive resi comps:** Townhome sales comps in the immediate area support the developer's projected margins and absorption timeline.
- **Strategic location:** Infill SLC sites suitable for townhome development continue to command strong buyer interest.

#### Risk Considerations & Mitigants

- **Demolition/redevelopment complexity** mitigated by clean existing structure and straightforward removal.
- **Market risk** offset by persistent demand for affordable infill product and the low land basis.