



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.