

OUT TOMARKET



\$18,200,000 Construction Loan + \$9,180,000 Common Equity for Development of 116-Unit Multifamily Property in the Southeastern US

- Loan-to-Cost: 65%
- Requested IR: 7.0%
- Term: 36 Months
- LP Profit: \$7.8M
- LP IRR: 16.8%
- Hold: 60 Months

Tauro Capital Advisors, Inc. has been exclusively engaged to place construction financing and common equity for a multi-family ground-up development in the Southeastern US. The sponsor is requesting 65% LTC, 7% IR and a 36-month, interest-only term. The equity request is a 90%/10% split with a 16.8% IRR and 1.9x EM.

Although the business plan calls for 116 garden-style apartment units within 10 buildings, the land is already entitled for 118 units. Total square footage is 93.2K square feet with the average unit size being 804 square feet. There will be 80 one-beds and 36 two-beds units. The location is near a major highway with significant street frontage in a pro-growth municipality encouraging redevelopment. This will replace the current mobile home park but keep the foundation, pond and infrastructure.

The sponsor has strong financials and has significant experience developing in the Southeast. The property is under contract at a purchase price of \$2M and has a completed appraised value of \$34.1M. The sponsor is finalizing the \$28M project budget with the general contractor.

OUR CAPITAL ADVISOR



Deryl Deese



\$13,740,000 Loan for the Refinance of a Social Security Office located in Northern California

- Loan-to-Value: 44.2%
- Requested IR: 8.0%
- Term: 3 Years
- Amortization: Interest-Only
- Recourse: Acceptable



Tauro Capital Advisors has been exclusively engaged to place a loan for the refinance of a Social Security Office Asset. The GSA is actively pursuing reduction of leased space following the COVID-19 pandemic. Despite this, the Sponsor was able to secure a new 15-year lease on a Southern California asset and expects to achieve a similar outcome on this location.

SSA assets are particularly difficult to reduce space or move due to federal requirements for the space including accessibility of location and distance to Social Security Recipients. These requirements provide negotiating leverage for the Sponsor.

The Property consists of 37,000 square feet on a nearly 5-acre lot complete with 134 parking stalls. The property was built in 2008 as a build-to-suit for the Social Security Administration office where they have remained since.

The Sponsor is an experienced development company that has been in business for over 31 years specializing in build-to-suit and GSA Offices. In their portfolio, there are 7 GSA build-to-suit offices at over 250k SqFt, 5 CA build-to-suit strip malls with credit tenants, and 30k SqFt of mixed-use retail with 43 apartment units on top.

OUR CAPITAL ADVISORS



Anthony Johnston



Alisa Freundlich



Avi Youshaci



\$13,500,000 Construction Loan for 1,162 Self-Storage Units in the Western US

- Loan-to-Cost: 65%
- Requested IR: 9.0%
- Term: 36 Months
- Recourse: Non-Recourse Preferred

Tauro Capital Advisors is seeking to place a construction loan 65% LTC to fund the vertical construction and takeout of the existing land loan. Construction is expected to take 12 months and lease-up an additional 18 months.

The project is a Class-A, institutional quality climate controlled self-storage development situated on a 2.39-acre lot with great accessibility and visibility to over 190,000 vehicles per day. The building will be 160,000 square feet consisting of 1,162 self-storage units averaging approximately 100 square feet. With no competition within a 1-mile radius, this property well positioned to capture significant market share.

Sponsor is founder and president of a storage group with experience of developing 10 other projects totaling nearly 1 million square feet. A third-party management company that is predominant in the area will run day-to-day operations.

OUR CAPITAL ADVISORS



Paul Davidovac



Matt Mueller

BULLYPULPIT

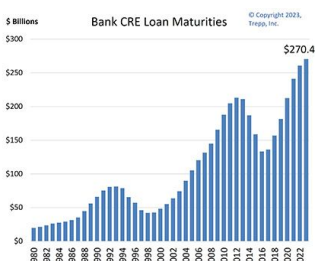
\$270B of commercial real estate loans are set to mature in 2023, which is an all-time record for loan maturities.

Loans maturing in the next 24 months that have a debt service coverage ratio below 1.25 totals roughly \$70 billion (Trepp).

These property owners have two options: refinance or sell.

The issue with refinancing some of these assets is the lack of in-place cash flow to size to a new loan.

This will force sales, and with sales we will see how values have been affected. Values in turn will dictate if owners can pay off loans.



OUR ANALYST



Andy Evans



Tauro Capital Advisors, Inc.

Tauro Capital Advisors, Inc. is a fully integrated commercial real estate advisory services company with a diverse background in all aspects of commercial real estate. Tauro's advisory services provides clients with creative capital structuring solutions and placement services by making a market specific to a client's needs and priorities with a diverse but focused group of capital providers.

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