



Experience & Integrity

Churchill Stateside Group - Debt Products

Product Lines

USDA Rural Development 538 Guaranteed Loan Program

Construction and permanent financing for small, rural multifamily developments.

FHA-HUD Multifamily Approved Lender

Construction and permanent financing for all types of multifamily housing.

Mortgage Broker Originations

A Q10 Capital LLC Partner and an approved correspondent lender for some of the nation's largest capital sources.

Construction Financing and Servicing

For multifamily affordable housing and renewable energy installations.

- ✓ Warehousing with retirement systems
- ✓ Fannie Mae Approved Multifamily Construction Lender

Tax Credit Equity Syndication

- Federal and State Low Income Housing Tax Credits
- Federal and State Historic Tax Credits
- Energy Credits
- Entertainment & Film Production Credits

- ✓ Investor funds are comprised of select, high-quality affordable housing properties constructed or rehabilitated by seasoned developers nationwide
- ✓ Investor base includes institutional investors, private investors and municipal pension funds

USDA Rural Development

USDA Section 538 Loan Note Guarantee

Construction and permanent financing for small, rural multifamily developments.

- Eligible Properties:**
- New construction or substantial rehab, 5+ units
 - Must be located in an eligible rural community
 - Tenant income cannot exceed 115% of AMI
 - Average and maximum rents cannot exceed 30% of 115% of AMI
 - Rehab must be at least \$6,500 hard cost per unit

Loan Guarantee : 90% for for-profit entities, 97% for non-profits

Term/Amortization: Minimum 25 years, Maximum 40.

Prepayment: 10-Year total prepayment period with 0-2 year lock-out followed by declining penalty thereafter.

Recourse: Nonrecourse loan with standard carve-outs, completion guarantee required.

Debt Coverage Ratio: 1.15 for all mandatory pay debt

Loan to Value: 90% for 538 debt; 100% for all mandatory pay debt

Loan to Cost: 70% for Option 1; 50% for Option 3

USDA Guarantee Fee: Initial Fee: 1.00% of Guaranteed Loan Amount
Ongoing: 0.50% of Unpaid Principal Balance

O&M Reserve: Minimum 2% of loan amount funded at permanent loan closing; released as surplus cash distribution after first year of stabilized operations. Many syndicators allow this to fund from Operating Deficit Reserve.

Lease-Up Reserve: Greater of 2% of appraised value or Total Development Cost (Option 2 & 3 only)

Contingency Reserve: Minimum 2% of construction contract, released at stabilization.

USDA Rural Development

3 Options for Guarantee

- Option 1 – Perm Only:** Commitment received at stabilization. 70% GNMA LTC constraint. Most popular CSG debt product. Often combined with conventional construction loan, and forward rate lock commitment.
- Option 2 – Construction & Permanent:** 2 separate executions, construction phase and permanent phase. CSG does not recommend this option.
- Option 3 - Continuous:** Close at construction financing. 50% USDA-RD LTC constraint. Popular CSG product for rural development Section 515 rehab portfolios.

HUD

FHA Multifamily Approved Lender

Churchill Mortgage Investment, LLC is approved to provide mortgage insurance for multifamily properties through a variety of programs administered by the Federal Housing Administration under the U.S. Department of Housing and Urban Development as a Multifamily Accelerated Processing (MAP) Lender.

- Section 221(d)(4) Program:** For construction or substantial rehabilitation of multifamily properties; including market rate, moderate income, and subsidized development.
- Section 223(f) Program:** For acquisition or refinance of multifamily properties. Refinance transactions may enable owners to extract a portion of equity in the property
- Section 223(a)(7) Program:** For refinance of multifamily properties with an existing FHA mortgage.
- Section 231 Program:** Market rate, mixed income, affordable, and subsidized developments were all occupants are of age 62 and over
- Section 232 Program:** For construction or substantial rehabilitation of licensed Assisted Living Facilities, Skilled Nursing Homes, Intermediate Care Facilities, and Board and Care Homes.
- Section 242 Program:** For construction or substantial rehabilitation of Critical Access Hospitals and Acute Care Hospitals with demonstrated need such as Certificate of Need and at least 50% of patient days must be from acute care services.

HUD Section 221(d)(4)

Eligible Properties:

For construction or substantial rehabilitation of multifamily properties; including market rate, moderate income, and subsidized development.

- Loan Amount:** No minimum or maximum
- Term/Amortization:** 40 Year Term, fully amortizing, plus interest only construction period
- Guarantees:** Nonrecourse loan during construction and permanent loan term
- Other Features:** Loan is fully assumable, Davis Bacon required, Fixed interest rate

	DSC	LTV	LTC	MIP
Market Rate	1.176	N/A	85.0%	65 25 if Green
Affordable LIHTC	1.15	N/A	87.0%	25
90%+ Rental Assistance	1.11	N/A	90.0%	25

HUD Section 223(f)

Eligible Properties:

For acquisition or refinance of multifamily properties. Refinance transactions may enable owners to extract a portion of equity in the property

Loan Amount: No minimum or maximum

Term/Amortization: Max 35 Year Term, fully amortizing

Other Features: Non-recourse, Fixed Interest Rate, Assumable, Cash Out and Secondary Financing Allowed

	DSC	LTV	LTC	MIP
Market Rate Refinance (I)	1.176	85%	Greater of 100% refi or 80% of value	60 25 if Green
Market Rate Acquisition	1.176	85%	87.0% of acquisition cost	60 25 if Green
Pilot Program (II)	1.15	87%	100%	25
90%+ Rental Assistance or 202	1.11	90%	100%	25

(I) Or IOI Acquisition

(II) 90%+ rental assistance with each rent 10% below market rent

HUD Section 223(a)7

Eligible Properties:

For refinance of multifamily properties with an existing FHA mortgage.

Loan Amount: Lesser of DSC, LTC, or the principal balance of the original FHA-insured loan amount

Term/Amortization: Up to remaining term of existing mortgage or 75% of projects remaining economic life. HUD may approve up to 12 years beyond remaining term if required for project viability.

	DSC	LTV	LTC	MIP
Market Rate	1.11	N/A	100% No cash out	50 25 if Green
Affordable w/90% + RA	1.05	N/A	100% No cash out	25

HUD Section 231

Eligible Properties:

Market rate, mixed income, affordable, and subsidized developments where all occupants are of age 62 and over.

Loan Amount: No minimum or maximum.

Term/Amortization: 40 year permanent loan; Fully amortizing plus interest only construction period.

Other Features: Non-recourse, Fixed Interest Rate, Assumable

	DSC	LTV ⁽¹⁾	LTC	MIP
Market Rate	1.176	85%	85%	70 25 if Green
Affordable w/Rents 10% below market	1.15	87%	87%	25
90%+ Rental Assistance or 90%+ LIHTC	1.11	90%	90%	25

(1) Loan to Value only applies for substantial rehabilitation projects.

HUD Section 232

Eligible Properties:

For construction or substantial rehabilitation of licensed Assisted Living Facilities, Skilled Nursing Homes, Intermediate Care Facilities, and Board and Care Homes.

Loan Amount: No minimum or maximum

Term/Amortization: 40 Year Term, fully amortizing, plus interest only construction period

Other Features: Non-recourse, Fixed Interest Rate, Assumable

	DSC	LTV	LTC	MIP
Existing ALF	1.450	80% For Profit 85% Non Profit	90%	65 45 if LIHTC 100 up front only
New ALF	1.450	75% For Profit 80% Non Profit	90%	77 45 if LIHTC
New SNF or ILU	1.450	80% For Profit 85% Non Profit	90%	77 45 if LIHTC

HUD Section 242

Eligible Properties:

For construction or substantial rehabilitation of Critical Access Hospitals and Acute Care Hospitals with demonstrated need such as Certificate of Need and at least 50% of patient days must be from acute care services.

Loan Amount: No minimum or maximum

Term/Amortization: Max 25 Year Term, fully amortizing, plus interest only construction period

	DSC	LTV	LTC	MIP
New Hospitals	1.40	90%	90%	70
Existing Hospital	1.40	90%	100%	100 up front, 65 annually

Freddie Mac Small Loan Program

Markets: Nationwide

Loan Amount: \$1 million to \$5 million

Maximum LTV: Up to 80%

Loan Purpose: Acquisition or Refinance

Terms : 20 year hybrid ARM: 5-7-10 year initial fixed rate period; or Fixed Rate: 5-7-10 year term

Debt Service: Minimum 1.25x nationwide/1.20x for Top Markets.

Amortization: Up to 30 years; Partial interest-only available; Full-term interest-only available at 65% or less LTV.

Eligible Properties: Conventional multifamily (5+ units), including properties with tax abatements or Section Vouchers

Ineligible Properties: Senior housing, student housing, military housing, Targeted Affordable Housing, properties with LURAs (except expiring LIHTC)

Rate-Lock At Loan Commitment

Prepayments: Declining schedules and yield maintenance available for all loan types; defeasance available for fixed-rate loans only

Fannie Mae LIHTC Forward Commitment

<p>Eligible Properties: Affordable multifamily with at least 24 units</p> <p>Eligible Loans: First mortgage loans on newly-constructed or rehabilitated LIHTC communities.</p> <p>Loan Amount : \$500,000 to \$10,000,000; larger loans considered</p> <p>Term/Amortization : 18 to 30-year term; amortization period of 30 years; 35-year amortization available on waiver basis</p> <p>Forward Commitment : Up to 30 months</p> <p>Interest Rate: Fixed at spread over US Treasury rate</p> <p>Loan Re-sizing: No fees or rate change for maximum upward or downward adjustment of up to 5%. Shortfall breakage fees apply to downward adjustment of more than 5%..</p>	<p>DSCR:</p> <ul style="list-style-type: none"> • 1.15 for 9% LIHTC properties w/40+ units • 1.20 for all 4% LIHTC properties, and all properties with 40 units or less <p>LTV: Max 90% LTV for all hard-pay debt. Lower LTV requirements may apply in certain locations or loans over \$8 million.</p> <p>Replacement Reserve:</p> <ul style="list-style-type: none"> • Minimum \$250/unit/year for all properties • \$300/unit/year for properties 40 units or less • May be higher for certain properties • All reserves reviewed after 5 years <p>Debt Service Reserve: Greater of \$25,000, or</p> <ul style="list-style-type: none"> • 3-months debt service for 40+ units • 4-months debt service for 40 units or less. <p>Prepayment: Fannie Mae yield maintenance.</p>
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Product Lines Construction Financing

Warehoused through one of our banking relationships.

<p>Eligible Properties: Multifamily – affordable, mixed income, and subsidized developments. New construction and substantial rehab.</p> <p>Loan Amount: No minimum or maximum. Constrained to 80% of total development cost, or 80% of the as if complete and stabilized restricted value plus the investment value of tax credits, if applicable.</p> <p>Loan Term: Up to 24 months. Extensions available at sole discretion of Lender, for an extension fee equal to 25 basis points times loan amount.</p> <p>Interest Rate: Fixed and Variable rates available</p>

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Historic Tax Credit Properties Construction Mini-Perm

This program is offered for the adaptive re-use of existing historic buildings and to provide a standby forward commitment for permanent financing, with the intent to obtain more competitive financing from a secondary market source upon stabilization.

- Eligible Properties:** Multifamily with Historic Tax Credits
Construction Loan

- Loan Amount:** Minimum \$2,500,000, maximum \$20,000,000. Constrained to 80% of total development cost, or 80% of the as if complete and stabilized restricted value plus the investment value of tax credits, if applicable.

- Construction Term:** Up to 30 months. Extensions available at sole discretion of Lender, for an extension fee equal to 25 basis points times loan amount.
Permanent Loan

- Loan Amount:** Minimum \$1,000,000; such amount supported via DSCR and LTV constraints, or reasonable other constraints as required by the secondary market participant/investor.

- Forward Term:** Equal to term of Construction Loan; not to exceed 30 months

- Permanent Term:** 5 years; or such term as allowed by a secondary market participant

- Perm Amortization:** 30 years

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Product Lines **Q10 Churchill Financial**



**CHURCHILL
FINANCIAL LLC**
A Q10 CAPITAL LLC PARTNER

Brokerage Services

Q10 Churchill Financial is the brokerage arm of Churchill Stateside Group, providing debt & equity placement for projects Churchill Mortgage or Churchill Equity cannot finance themselves. In addition CSG may receive leads for CMI products through other Q10 Capital Partners.

Products

- | | | |
|---|--|---|
| <p>Placement</p> <ul style="list-style-type: none"> •Permanent Financing •Acquisition Financing •Fixed or Adjustable Rates •Construction Loans •Credit Tenant Lease (CTL) Loans •Mezzanine Financing | <ul style="list-style-type: none"> •Bridge Loans •Forward Commitments •Participating Debt •Sale/Leaseback Transactions •Equity Placement •Joint Ventures | <ul style="list-style-type: none"> •Apartments •Assisted Living •Auto Service •Congregate Care •Distribution/Warehouse •Golf Courses •Hotel/Motel •Industrial •Manufacturing •Marinas |
| | | <ul style="list-style-type: none"> •Medical Office •Mini-Storage •Mobile Home Parks •Mixed Use •Nursing Homes •Office •Parking Garage •Retail •Restaurant |

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Key Strengths

Quality

All underwriting, closing, servicing and asset management functions are performed internally by seasoned professionals.

Decisiveness

CSG's owners are involved with every transaction during the entire life cycle of the investment. Each transaction is thoroughly vetted up-front against comprehensive standards of feasibility.

Resources

Preferred relationships with investor base, debt products, advise and consult in numerous arenas.

Experience / Insight

Management team offers more than 80 collective years of industry expertise; all honed at major industry firms, providing our team with a solid foundation to deliver excellent service and unmatched insight.

Raising Capital

Experienced in raising capital with institutional and private investors.

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Experience & Integrity

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