



OLD CAPITAL

P A R T N E R S

Guidelines for Hospitality Financing

Underwriting Criteria



- Flexible Terms and Conditions
- Aggressive Underwriting
- Quick Commitments
- Excellent Service

5051 Westheimer, Suite 700 Houston, Texas USA 77056

713.621.2050 Office

713.621.6432 Fax

Hospitality Overview

Eligible Properties:	National Franchise Four and Five Star Franchised Properties. Will consider extended stay properties on a case by case basis.
Eligible Property Locations:	Nationwide, but prefer Tier 1 Markets with CBD or airport locations; Suburban locations should demonstrate strong demand and ability to compete at market rates. Require solid market strength as is determined by, among other factors, ADR's, occupancy/breakeven and trends in population and employment.
Loan Types:	Construction, Take-out, Acquisition or Refinance. Will also consider equity or mezz debt pieces on a case by case basis.
Loan Size:	\$2 Million - \$50 Million; will also consider larger portfolio transactions.
Pricing:	Pricing is based upon the quality of the real estate and the credit strength of the deal with spreads running between 200-325 basis points over the corresponding US Treasury.
Debt Service Coverage:	1.40 x minimum
Loan-to-Value Ratio:	Up to 75% maximum LTV in first position. Up to 95% LTV with mezz piece.
Loan Term:	5, 7 or 10 years
Amortization:	30 years or less depending on property specifics.
Recourse:	Construction Loans are full recourse for completion guarantee. All permanent loans are non-recourse subject to standard carve-outs.
Fees:	Loan Fees: 0-3% of the loan amount Good Faith Deposit: \$7,500 at application Deposit for Third Party Costs: \$20,000.00 for Appraisal, engineering, environmental, legal, etc.
Occupancy:	60% minimum occupancy
Submission Requirements:	Property and Ownership Description to include Resume, Net Worth and Experience of Key Principals. Property Profit and Loss Statements for last 2 years and month by month for past 12 months. Occupancy Rate – by month for last 2 years Most current appraisal and market study.

For More Information Please Contact:

Ron Bearden

Direct: 713.621.2050

info@oldcap.com