



Short-Term Mezzanine Loan Program

Bridge-to-perm mezzanine capital for multifamily and seniors housing.

Key Highlights

- Access additional proceeds when targeting FHA or Agency permanent debt but needing short-term mezzanine capital.
- Designed to sit behind a third-party first-mortgage bridge loan.
- Generally no exit fee if permanent financing is originated via **LMD Capital Partners**.

Use Cases

Supports stabilized assets and properties with minor to moderate renovations needing leverage above the first-mortgage bridge loan. Mezzanine proceeds may be used while **LMD Capital Partners** underwrites permanent financing, or to fund value-add work to achieve take-out financing through FHA, Fannie Mae, or Freddie Mac.

Eligible Properties

Multifamily and healthcare (SNF, AL/IL).

Loan Amount

\$1,000,000 – \$15,000,000 (larger on request).

Collateral

Pledge of equity of the first-mortgage borrower, secured by UCC filing. Intercreditor agreement with first-mortgage lender required.

Term

Up to 3 years including extensions; typically coterminous with the first-mortgage loan.

Amortization

Generally interest-only (limited amortization may be required after the first two years).

Rate

Fixed or floating; typical coupon 12–15% varying with LTV, DSCR, market, and sponsor.

Commitment Fee

1%–2% of the loan amount.

Upfront Fees & Deposits

\$15,000 per property non-refundable processing fee (varies by size/complexity) plus approximately \$20,000 per property deposit to cover Lender legal, third-party reports, travel, and due-diligence expenses.

Prepayment / Exit

Generally open to prepayment after year one, subject to an exit fee calculated on the combined first-mortgage and mezzanine loan amounts. The exit fee may be partly or wholly waived if **LMD Capital Partners** provides the permanent financing. The mezzanine loan cannot be prepaid before the first-mortgage loan.

Recourse

Typically non-recourse with standard carve-outs (environmental, bankruptcy, fraud, misapplication of funds, etc.). For properties with more significant renovation, a recourse guaranty and/or operating-deficit and completion guaranty may be required.

Maximum Leverage

Combined maximum LTV of the first-mortgage and mezzanine loans up to 90% of current value/costs and 80% of stabilized value.

Minimum DSCR

Sized to a minimum DSCR of 1.05x–1.25x at the interest-only rate, depending on property type.

Equity Requirement

Typically not less than 10%–15% cash equity.

Third-Party Reports

MAI appraisal (an expanded or separate market study may be required where there is a value-add component); Phase I environmental; and engineering/structural report prepared by lender-approved professionals. The mezzanine loan may rely on lender-approved first-mortgage third-party reports.

References to **LMD Capital Partners** include LMD Capital Partners and its affiliates, as applicable. This summary does not constitute a commitment to lend and is subject to change without notice. Any potential financing remains subject to due diligence and approval by LMD Capital Partners' credit committee, in its sole discretion.