

Capital Vault Incorporated

Commercial Real Estate Underwritten Analysis

A fully underwritten analysis of the financing request has the following features:

- 1) Standardized format which organizes all relevant details of a loan, financing request or proposal including: capital structure, use of proceeds, financial strength, management experience of the sponsors, historical income and expense information, physical data about the property and leasing information.
- 2) From data input calculations for all necessary financial ratios used by lenders to make credit decisions including DSCR (debt service coverage ratio), LTV (loan to value), loan per square foot, loan per unit, balloon payment, balloon risk, balloon per square foot, cash out or equity required, break even ratios in percent of EGI/actual dollars/square feet, direct capitalized valuation, tenant roll over risk/potential risk loss.
- 3) Calculate NOI (net operating income) based on historical operations and current budgeted figures. Adjustments for vacancy allowance, reserves for replacements, management fees, and historical extraordinary expenses ensuring a calculated NOI that will closely matches the lenders final NOI.
- 4) Complete printout in underwritten format for review and submission.

*A comprehensive 8 page document, which is included in the financing proposal. Each proposal has a complete project analysis plus the rates, terms, conditions and financing amount that can be expected for the loan, mortgage or other financing to be considered. This competence in financial documentation enables proposals greater prospects in obtaining the funds to develop, acquire or re-finance a presently owned property, as this process can bring financing requirements within commercial transaction parameters.

Various commercial bonds can also be issued by a company, especially by private placement, that may be custom made to more adequately serve the needs of the company. These can be regular bonds, serial, convertible or otherwise, more information is available for those requiring solutions and more is available through the CVI-Construction Group primarily. This can be incorporated in the original capital structure of the issuing company or as an additional securities or financing package for a parent, subsidiary or separate company, as many separate real estate holdings from business operations for various reasons.

A proposal may utilize the Underwritten Analysis to pursue financing with organizations of any choice. Real estate and mortgage brokers may utilize it to help structure deals, arrange financing and improve overall customer service. Individuals may have greater assessment of their proposed or desired acquisition, development or refinancing. Investors will realize the more comprehensive and due diligence approach initiated to ensure greater success in the venture.

The Commercial Real Estate Underwritten Analysis is primarily utilized for the CVI-Construction Group portfolio of projects including the Custom Build Options, and is configured in accordance with capital structure and the various bond and/or equity solutions.