

	Preferred Equity	Joint Venture
Property Types	Conventional Apartments, Age Restricted, Student Housing, High Quality Mobile Home Parks	Conventional Apartments, Age Restricted
Geographic Focus	National	Southeast focus
Minimum RiverBanc Investment	\$3.5 million RiverBanc position at least 7.5% of collateral value Structured as preferred equity or mezzanine loan depending on circumstances	\$4.0 million up to 95% of transaction required equity
Target RiverBanc Return	10.5% to 13.0% total accrual rate	13% to 16% transaction IRR
Minimum RiverBanc Payment	7% total cash payment (typically increasing over time) 4.0% required distribution	Negotiable
Minimum DSCR Constraint	1.05x - fixed rate (senior amortizing payment and RiverBanc's required distribution) 1.00x - floating rate cap (at senior loan strike)	Not applicable
Maximum LTV Constraint	90% (senior loan + RiverBanc)	Not applicable
Economic Waterfall	Cash flow sweep in some cases, remainder accrues RiverBanc receives preferred return of capital and accrued return at exit Operating partner receives all excess interim cash flow and entire gain on sale	10% IRR hurdle to all equity holders Incentive split to Operating Partner after initial hurdle Negotiable based on % equity contribution and overall deal quality
Investment Term	Up to a 12 year term Typically co-terminus with senior loan maturity Minimum 1.5x return multiple	Right to Market by both parties after 36 months Right to First Offer to RiverBanc
Deal Fees	Up to 2.0% origination fee to RiverBanc \$15k underwriting fee	Negotiable
Senior Lender	Agency, CMBS, Insurance, Bank	Agency, CMBS, Insurance, Bank
Senior Loan Terms	Minimum 5 year remaining term Maximum 80% LTV Fixed rate or fixed rate protection for the first 5 years	Minimum 5 year remaining term Maximum 80% LTV Fixed rate or fixed rate protection for the first 5 years