AVANA CUSO Loan Program Overview

Flexible Capital Solutions through Credit Union Partnerships

AVANA CUSO provides flexible, long-term financing for stabilized commercial real estate through its trusted credit union network. Our no-prepayment-penalty structure gives experienced owners and developers the freedom to refinance, sell, or exit on their terms.

Loan Structure & Terms

Loan Amount	• $1 million to $15 million
Interest Rates	• Fixed for five years based on the 5-Year CMT + 2.00% to 3.00% • For 10-year term loans, rate resets after year 5
Term Length	• 5 to 10 years
Amortization	• 30 years for multifamily properties • 25 years for all other property types
Payment Structure	• Monthly principal and interest
Loan Fees	• 1.0% – 2.0%
Prepayment	• No prepayment penalties
CapEx Reserve	• May be required depending on property condition and use of proceeds

Credit Guidelines

Max Loan-to-Value (LTV)	• Up to 75% for most property types • Up to 65% for franchised hotels, restaurants
Minimum Debt Service Coverage Ratio (DSCR)	• 1.25x for most property types • 1.35x for retail, franchised hotels and restaurants
Minimum Debt Yield	• 9% – 12% (depending on asset type)
Minimum FICO Score	• 680
Guarantor Net Worth	• At least 1.0x of the loan amount
Guarantor Liquidity	• Sufficient to cover at least six months of principal and interest payments
Personal Guarantees	• All loans are full recourse and typically require personal guarantees from individuals with controlling interest or sufficient ownership to meet a controlling threshold

Target Asset Classes

Stabilized properties across sectors:

- Industrial
- Multifamily
- Retail (grocery anchored preferred)
- Self-Storage
- Medical Office
- Mixed-Use (retail/ multifamily)
- Franchised Restaurant
- Franchised Hotels (Marriott, Hilton, IHG, and Hyatt brands)

Use of Proceeds

Eligible loan purposes include:

- Property Acquisition
- Refinancing Existing Debt
- Partner Buyouts
- Property Improvements (Non-Ground-Up Construction)

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AVANA CUSO

AVANA COMPANIES

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Pre-screen Checklist to Issue an LOI

To streamline the issuance of a Letter of Intent (LOI), please provide the following:

1. Property Information:

- Collateral property address
- Property description

2. Loan Request Summary and Requested Loan Terms (offering memorandum, broker's summary, etc.):

- Requested Loan Amount
- Clearly describe the reason for the loan (e.g. expansion, refinance, acquisition)
- Please go beyond general terms such as "to buy a building"
- Loan Type (Conventional, Bridge, Construction, SBA 504, etc.)
- Preferred Interest Rate
  - Fixed (5yr, 7yr, 10yr)
  - Variable (WSJ Prime, 30 Day SOFR)
- Loan Fee

3. Ownership and Guarantor Information:

- List all individuals with 20% or more ownership in the borrowing entity and all proposed loan guarantors, including their percentage ownership.

Note: Personal guarantees are typically required from those with controlling interest or sufficient ownership to meet a controlling threshold

4. Business/Property Financial Information:

- 3 years of Tax Returns or historical financial statements (P&L and Balance Sheet)
- T-12 financial statements dated within 90 days (P&L and Balance Sheet)
- Debt schedule
- Current rent roll (if applicable)
- STR reports (for hotels)
  - For a conversion, we need a STR Trend Report covering as many years as they have available

5. Personal Information (for each guarantor):

- Current and complete PFS including Schedule of Real Estate
- Debt schedule
- Resume/Bio
- 3 years of Personal Tax Returns

6. Refinance information (if applicable):

- Motivation for refinance
- Loan balance and loan status with current lender
- Prepayment penalty info
- Cost basis of property (cost + improvements)
- Property purchase date
- If there is cash out, what will it be used for?

7. If Property Improvements are involved:

- Description and budget for any planned improvements

Collateral Requirements

- 1st Mortgage
- 1st lien position UCC-1 filing on all business assets
- Assignment of Rents
- Escrow for Taxes & Insurance. Capex TBD in Underwritring

Partnering with AVANA CUSO provides you access to competitive, flexible capital through a growing network of credit unions committed to supporting experienced real estate professionals.

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