

Real Estate Transaction Criteria

Being an opportunity driven investment platform, DCM will focus on the higher-end of the risk-return profile, investing in distressed debt secured by commercial real estate, such as: residential, rentals, new developments, offices and retail.

Debt

- Deal size: \$ 5-100 Million
- Debt Pricing: 60-80% of par value. Effective Yield: 10-15% (Institutional lenders demand 7.5% to 9% for secured loans. Unsecured debt can cost in the double digits, if it is available)
- Term: 3-10 years
- Collateral: residential and commercial projects.
- Location: First Priority: New York City; Second Priority: East Coast.
- Right of first refusal/call option on the Collateral

Residential – Income generating properties

- Location: Metropolitan areas. First Priority: New York City and Miami ; Second Priority: East Coast.
- Strong market fundamentals.
- Population: sustainable renter population and stable labor market
- Strong market fundamentals.
- Exit strategies.
- Deal Size -\$10 to \$100 million
- Leverage - 40-80% of total acquisition price. Preference shall be given to debt assumption at attractive terms.

Office building

- New York City.
- Class B and Class C
- Minimum cap rate of 7.5%
- Strong fundamentals
- Deal Size -\$10 to \$50 million
- Leverage - 50-85% of total acquisition price. Preference shall be given to debt assumption at attractive terms.