



EQUITABLE
TRUST



Sample Transactions

Montreal Real Estate Forum

March 20, 2012



**8-storey steel and concrete frame
apartment building**

124 units

Dartmouth, NS

Loan amount: \$6,375,000

LTV: 75%

Term: 1 year fixed

Purpose: Acquisition



Challenges

- Prior to receipt of request, loan was submitted for approval with another financial institution. During the underwriting process, loan parameters were amended; loan proceeds were being reduced considerably and terms were being changed (higher rate)
- Timeframe for closing was tight
- Location of property (blue collar area, socially and economically challenged)
- Low vacancy yet considerable tenant turnover

Considerations

- Experienced borrower with a strong financial position
- Repeat borrower of ETC with good track record
- NHA financing not considered given the short timeline
- Underwritten with proper consideration given to maintenance and repair allocation given the high turnover
- All documentation including third party reporting readily available

Conclusion

Client was successful in closing the acquisition without defaulting on PSA
Loan closed within 22 days from receipt of initial request.





**Retail Plaza
31,000sf**

Boisbriand, Qc

Loan amount: \$2,300,000

LTV: 70%

Term: 3 years fixed

Purpose: Acquisition

Challenges

- **Vacancy (36%)**
- **Insufficient debt coverage**
- **Not in ETC primary market**

Considerations

- **Purchaser to occupy a significant portion of the vacant space**
- **Experienced borrower with a strong financial position**
- **Underwritten using market rents and supported by business income**