
From: Jaeger, Bruce [REDACTED] >
Sent: Monday, August 14, 2017 3:45 PM
To: jeffrey E.
Subject: Private Bank Lending on REIT Operating Units

Hi Jeffrey-

Thanks for reviewing with me on a no-names basis the potential opportunity to underwrite a Reg. U bank loan collateralized by private REIT Operating units. My understanding is that they are convertible into freely tradable, publicly-held REIT securities and that the REIT has a market cap in excess of \$5 billion. The low cost basis units once converted, may also be subject to certain volume limitations, restrictions and disclosure requirements given the size of the client's holdings. When you provide me with more details regarding the client and REIT, we'd be happy to take a closer look and share our ideas. In the meantime, below are some deal points from the two loans we closed for one of our billionaire real estate clients.

I cannot make any promises about providing a redacted copy of a tri-party agreement, and it may have terms that are very different than what this particular GP will provide. That said, as soon as we know who the REIT is, I can reach out to our Head of Private Lending who will work with our outside counsel and leverage his experience working with this particular GP. Let me know how you wish to proceed. Thank you

Borrower: Individual and private REIT

Facility: Up to \$70 million and up to \$25 million

Collateral: = (i) First Priority pledge on Private REIT Operating Units; if default and

 upon Lender request to GP, convertible within 10 days to freely tradable

 securities of REIT with \$50 billion market capitalization

(ii) Tri-party agreement executed by REIT GP, Borrower and Bank

Advance Rate: Up to 40% and 45%

Interest Rate: Under 1-month Libor + 2.00%

Upfront Fee: 0.50%

Unused Fee: 0.25%

Term Commitment: 2 years

Purpose: = General "non-purpose"

Repayment: Interest-only; principal due by maturity

Legal / Closing Expense: All out-of-pocket lender expenses reimbursed at Closing

Covenants: = Yes</=>

The providing of above information does not represent a commitment to lend, expressly or implied, by Stifel Bank or any of its Affiliates nor is it intended to be legally binding or to give rise to any relationship.

This message, and any of its attachments, is for the intended recipient(s) only, and it may contain information that is privileged, confidential, and/or proprietary and subject to important terms and conditions available at <http://www.stifel.com/disclosures/emaildisclaimers/> . If you are not the intended recipient, please delete this message and immediately notify the sender. No confidentiality, privilege, or property rights are waived or lost by any errors in transmission.