

Extensia Financial
is pleased to present the following
Loan Participation Summary

Barton Cove Apartments
1123 Hollow Creek Dr, Austin, TX



\$1,350,000
February 15, 2017



Loan Participation Summary

Barton Cove Apartments

1123 Hollow Creek Dr, Austin, TX 78704



Loan Participation Overview

Loan Request

The loan request is to facilitate the refinance of Barton Cove Apartments in Austin, Texas. The loan amount is \$1,350,000, 69.9% LTV with the current valuation of property is approximately \$1,930,000. The Borrower purchased the property in 1987 and current mortgage is approximately \$697,000. The pre-underwritten DSCR is 1.45x with current 89% occupancy and significant potential for improvement as units are refurbished. The loan has a 5+5, ten year balloon with the initial rate of 4.45% fixed for the initial five years of the term, then adjusting at the end of the fifth year to an interest rate equal to the greater of the loan start rate or the then-current 5-year constant maturity treasury rate plus a 2.5% margin, fixed for the remaining five years of the loan. The loan amortization is 30 years. The loan is full recourse with a 3,2,1,1,0 prepayment penalty schedule. The cash out funds and a \$100,000 lender controlled holdback, will be used to renovate 5 units, repave the parking lot, renovate 3 units at another borrower owned property, pay off personal debt and fund reserves for the future purchase of an additional multifamily property.

Proposed Transaction Pricing & Structure

Loan Amount:	\$1,350,000	Loan Purpose:	Refinance
Loan Interest Rate:	4.450%	Assumability:	None Permitted
Reset Margin:	2.500%	Secondary Financing:	None Permitted
Loan Amortization:	30 Years	Cross Collateralized:	No
Prepayment Penalty:	3,2,1,1,0	Tax Impounds:	Yes
Interest Only Period (Mos.):	0 Months	Insurance Impounds:	Yes
Lock Out Period (Years):	None	Improvement Holdback:	Yes
Exit Fee:	N/A	TI / LC Holdback Required:	Yes
Personal Guarantee	Yes	Amount of TI / LC Holdback:	\$0
Loan Program:	5+5 program. Ten year balloon fixed for the initial five years of the term, then adjusting at the end of the fifth year to an interest rate equal to the greater of the loan start rate or the then-current 5-year constant maturity treasury rate plus a 2.5% margin, fixed for the remaining five years of the loan.		

Loan Metrics

Maximum LTV per Guidelines:	75.0%	Minimum DSCR per Guidelines:	1.25x
Actual LTV per Sizing:	69.9%	Actual DSCR per Sizing:	1.45x
Debt Yield:	8.7%	Cash Out Loan:	Yes
Loan per Sq. Ft.:	\$89.27	Cash out / Required Equity:	\$510,500

Lead / Participant Targeted Yields

Credit Union Participation Yields

Lead Lender Yield on First 10%:	4.310%
Lead Lender Yield on Balance:	3.910%
Participant Yield:	3.910%

Credit Union Yield Over Key Indices

Yield over Average CU COF:	3.71%
Participant Yield over Index Used:	2.06%
Participant Yield over Prime Rate:	0.41%

Loan Security & Borrower Overview

Loan Security

Property Type:	Multifamily
Property Sub-Type:	Garden Apartments
Number of Units:	27
Percent of Area Occupied:	85.19%

Borrowing Entity

Borrowing Entity Name:	Barton Cove Apartments II, LLC
Combined Borr/Guar. Net Worth:	\$4,361,359
Combined Borr/Guar. Liquidity:	\$191,053
Combined Liquidity / D.S. (Mos.):	28 Months

Transaction Considerations

The loan will facilitate refinancing of a stabilized multifamily property consisting of 27 studio apartments.

The Property was constructed in 1979 with a history of continuous occupancy. Current vacancy rate of 11% primarily due to remodeling necessities. 1 unit which has been used as a facility workshop will be restored to rentable condition with 2 additional units scheduled for complete renovation. Additionally, 2 currently rented will be remodeled when vacated to complete renovation of all units. 1 current vacant rentable unit when rent rolls were provided 12/15/16. The pre-underwritten DSCR is 1.45x with current 89% occupancy and significant potential for improvement as units are refurbished.

P&L Statements for 2016 indicate \$73,424 in Total Repairs and Maintenance which included \$55,885 in renovations to the property. Smaller renovation amounts were also included in 2014. A portion of the cash out component is to recapture renovation amounts and pay off personal debt associated with these previous renovations.

The loan to value is estimated at 69.9%.

The loan is guaranteed by John Carter Shanklin who is an experienced investor with a CRE portfolio of 4 multifamily properties valued at more than \$5,000,000. Mr. Shanklin is a principal in PSW Homes, LLC, a real estate development company that focuses on urban infill redevelopment in central Austin. He self-manages all properties and works with a growing number of condominium homeowner associations.

Loan Participation Summary

Barton Cove Apartments

1123 Hollow Creek Dr, Austin, TX 78704



Property Overview

Property Summary			
Property Name:	Barton Cove Apartments	Property Type:	Multifamily
Street Address:	1123 Hollow Creek Dr	Property Sub-type:	Garden Apartments
City, State Zip:	Austin, TX 78704	Gross Square Feet	15,123 Sq Ft
County:	Travis	Net Rentable Square Feet:	15,123 Sq Ft

Property Description & History

Located a short, four-minute walk from the famous Barton Springs pool and Austin's Zilker Park, Barton Cove apartments is biking distance to downtown and has easy driving access to MoPac and 290/71. Flooring is wood laminate with tile in bathrooms, and ample closet space. Basic internet is free provided by Google with fiber speed optional. Barton Cove is a non-smoking complex inside and out. Residents must pass a nationwide criminal and credit background check. Units are available for single occupancy only. Buildings are set back off the street in a very quite neighborhood.

Property Characteristics			
Property Value:	\$1,930,000	Capitalization Rate:	6.12%
Year Built:	1979	Land Area (Acres):	0.49 Acres
Year Renovated:	Multiple	Land Area (Sq. Ft.):	21,344 Sq Ft
Number of Buildings:	1	Fee / Leasehold:	Fee
Number of Stories:	3 Stories	Type Leasehold:	N/A
Amount of Finished Area:	100%	Total Parking:	30 Spaces
Exterior Construction Type:	Wood Frame & Siding	Ratio (per 1,000 Sq. Ft. NRA):	1.98

Representative Photographs



Entrance



Rear



Studio - Bedroom



Studio - Kitchen

Loan Participation Summary

Barton Cove Apartments

1123 Hollow Creek Dr, Austin, TX 78704



Property Overview (cont.)

Representative Photographs



Bath



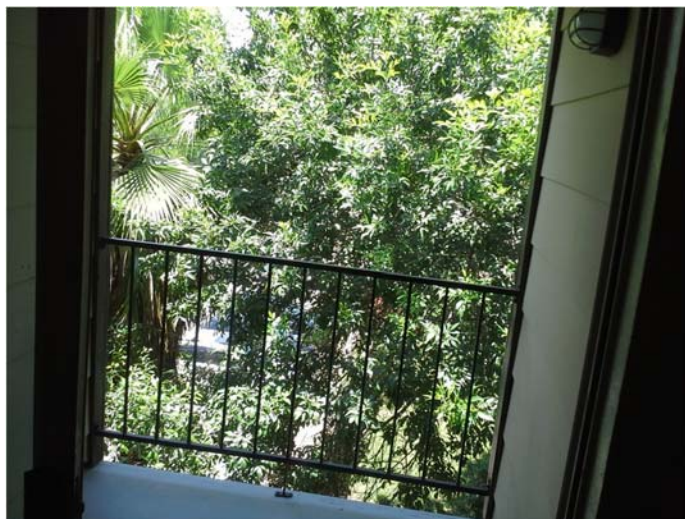
Bath



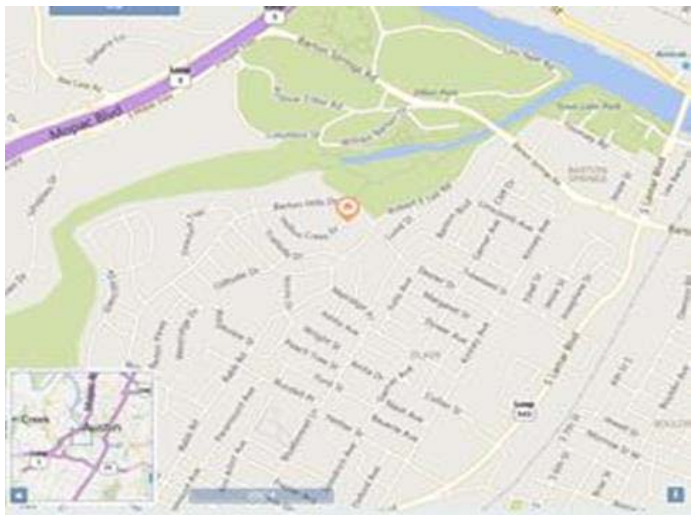
View to Austin



Exterior



Balcony View



Zilker Park & Lady Bird (Town) Lake

Loan Participation Summary

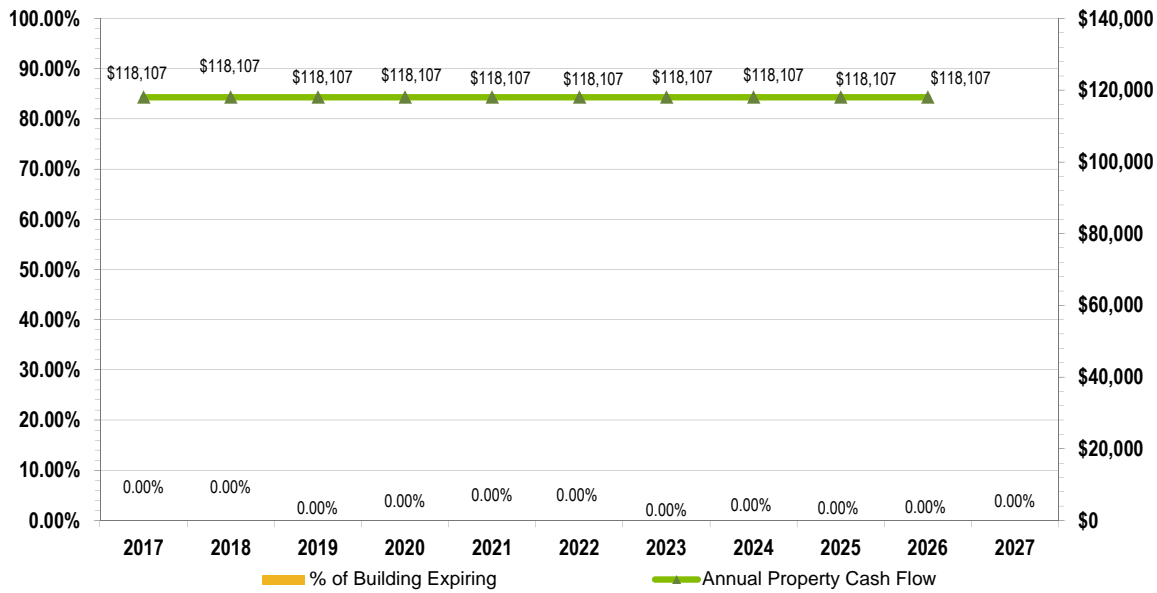
Barton Cove Apartments

1123 Hollow Creek Dr, Austin, TX 78704



Lease, Tenant, Market Analysis

Lease Expiration Analysis



Lease Expiration Analysis

Leases are typically one-year in nature as is typical for multifamily properties.

Tenant Information

Barton Cove Apartments are affordable housing studio apartments in the Zilker Park neighborhood, designed for single occupancy only. Current vacancy rate of 11% (3 units) is due to remodeling necessities. 1 unit which has been used as a facility workshop will be restored to rentable condition with 2 additional units scheduled for complete renovation. Additionally, 2 currently rented will be remodeled when vacated to complete renovation of all units. 1 current vacant rentable unit when rent rolls were provided 12/15/16.

Market Information

While nominal rents in the submarket, at \$1,300/unit, are nearly 10% above the metro average, the premium is more significant on a per-SF basis. The average asking rate in the South Submarket is more than \$1.55/SF, nearly 15% above the metro average of about \$1.40/SF. Rent growth in the South Submarket topped 6.7% on a year-over-year basis, this rate is still well above the roughly 3.5% rent losses that neighboring Downtown/University and Southwest both saw. For all rating categories, the South Submarket is nearly 40% more affordable than Downtown/University. Additionally, the development-heavy Southeast Submarket, where Oracle is building a 500,000 SF campus, is more competitive overall, with rents averaging 17% less than the South's, at roughly \$1,100/month. As gentrification continues in the Southeast, the submarket will provide more competition to landlords in the South. One of the most recent completions in the submarket is the 276-unit 4 Star Lenox Creekside, which delivered in July 2015 and leased at a rate of about 30 units per quarter. The building is composed of 72% one-bedrooms, 22% two-bedrooms, and 6% three-bedrooms. Vacancy is tightest in the two-bedroom units, and concessions at the property average 5.5%.

Loan Participation Summary

Barton Cove Apartments

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Location Overview

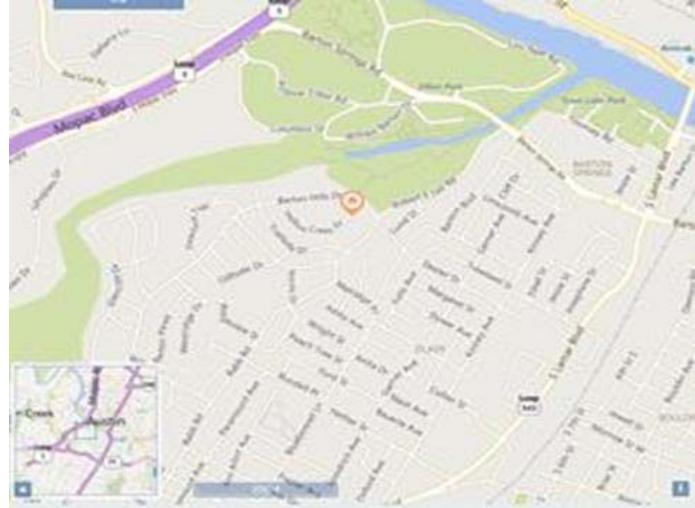
Location Characteristics			
Primary, Secondary, Tertiary Market:	Primary	Market Rental Rates:	\$1,264.00
Market Population:	2,064,149 People	Market Vacancy:	5.80%
Submarket Population:	149,410 People	Market Information Source:	CoStar
Submarket Crime Rate:	Low	MSA or Local Bond Rating:	Aa1
Metropolitan Statistical Area:	Austin-Round Rock, TX MSA		

Area Maps & Narrative

State / Regional Map



Neighborhood Map



Regional / City Discussion

Austin is the capital of the U.S. state of Texas and the seat of Travis County. It is the 11th-most populated city in the U.S. and the 4th-most populated in Texas. It is the fastest growing city in the United States and the second most populated capital city after Phoenix, Arizona. As of the U.S. Census Bureau's July 1, 2015 estimate, Austin has a population of 931,830. It is the cultural and economic center of the Austin-Round Rock metropolitan area, which had an estimated population of 2,064,149 as of June 1, 2016.

After a lull in growth from the Great Depression, Austin resumed its development into a major city and, by the 1980s, it emerged as a center for technology and business. A number of Fortune 500 companies have headquarters or regional offices in Austin, including Amazon.com, Apple Inc., Cisco, eBay, Google, IBM, Intel, Oracle Corporation, Texas Instruments, 3M, and Whole Foods Market. Dell's worldwide headquarters is located in nearby Round Rock, a suburb of Austin. The city's official slogan promotes Austin as "The Live Music Capital of the World," a reference to the many musicians and live music venues within the city, as well as the long-running PBS TV concert series Austin City Limits. The city also adopted "Silicon Hills" as a nickname in the 1990s due to a rapid influx of technology and development companies. In recent years, some Austinites have also adopted the unofficial slogan "Keep Austin Weird," which refers to the desire to protect small, unique, and local businesses from being overrun by large corporations. Austin is known as a "clean-air city" for its stringent no-smoking ordinances that apply to all public places and buildings, including restaurants and bars. The FBI ranked Austin as the second-safest major city in the U.S. for the year 2012. U.S. News & World Report named Austin the best place to live in the U.S. in 2017.

Neighborhood Discussion

Zilker is considered one of the most desirable neighborhoods in Austin due to its location and incredibly picturesque setting. It has rolling hills and tree-lined streets. It is a community of laid-back lifestyles where the residents are often seen gathering for coffee, local music, or drinks. Residents also spend hours in the nearby Zilker Park and Barton Springs. Zilker is an enchanting neighborhood celebrated for its robust natural beauty and accessible creature comforts. Outdoor enthusiasts find endless enjoyment in nearby Barton Springs and Zilker Park, where runners, bikers, swimmers, Frisbee golfers, and kayakers share in their love for all things active. During the fall, music lovers and festival fanatics unite at the park for Austin City Limits. Beyond its namesake green space, this down-to-earth neighborhood is beloved for its proximity to late-night hotspots.

Unemployment Rate	December 2016	Year/Year	Population	1 Mi	3 Mi
National	4.7%	-0.3	Households	12,975	149,410
Texas	4.6%	0.0	Average Age	7,229	67,650
Austin	3.4%	+0.1	Median HH Income	38.80	34.10
			Daytime Employees	\$76,164	\$58,432
			Population Growth '16-'21	10,216	224,931
			Household Growth '16-'21	↑14.1%	↑12.7%
				↑14.1%	↑13.4%

1123 Hollow Creek Dr
Austin, TX

Rent Roll Date: 2/15/2017



MULTI-FAMILY, SELF-STORAGE, HEALTHCARE (SKILLED NURSING, ASSISTED LIVING) RENT ROLL												
Unit Mix				Occupancy			In-Place Rental Income			Market Rents per Industry Data		
Unit Type	# of Units	Unit Size Sq. Ft.	Unit Type Sq. Ft.	Occupied Units	Vacant Units	Model Units	Actual Monthly Rent	Actual Annual Rent	Average Monthly Rent per Unit	Market Rents per Industry Data	Monthly Gross Potential Rent	Annual Gross Potential Rent
Studio / 1 Bath	27	425	11,475	23	3	1	\$ 18,169.00	\$ 218,028.00	\$ 789.96	\$ 975.00	\$ 26,325.00	\$ 315,900.00
1 Bedroom / 1 Bath	0	0	0	0	0	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2 Bedroom / 1 Bath	0	0	0	0	0	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2 Bedroom / 1 Bath	0	0	0	0	0	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2 Bedroom / 2 Bath	0	0	0	0	0	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS	27		11,475	23	3	1	\$ 18,169.00	\$ 218,028.00	\$ 789.96	\$ 975.00	\$ 26,325.00	\$ 315,900.00

Occupancy			Analysis of Gross Potential Rent		
	# of Units	%			
Occupied	23	85%	\$ 218,028.00	Actual Annual Rent attributable to Occupied Units	
Vacant	3	11%	\$ 35,100.00	Potential Rent attributable to Vacant Unit(s)	
Model	1	4%	\$ 11,700.00	Potential Rent attributable to Model Unit(s)	
Total	27	100%	\$ 264,828.00	Gross Potential Rent [Actual + Vacant + Model Units]	

NOTES: Current vacancy rate of 11% due to remodelling necessities and one unit used as leasing office/model. One of the vacant units, which has been used as a facility workshop, will be restored to rentable condition with 2 additional units scheduled for complete renovation. 1 current vacant rentable unit when rent rolls were provided 12/15/16.

Barton Cove Apartments

1123 Hollow Creek Dr, Austin, TX 78704



Total Square Feet: 11,475

As of Date: 2/15/17

REVENUES

	3rd Most Recent Full 12/31/2014		2nd Most Recent Full 12/31/2015		Most Recent Full Year 12/31/2016		Borrower / Broker 2/15/2017		Extensia In-Place Loan 2/15/2017	
	Amount	\$/SF/YR	Amount	\$/SF/YR	Amount	\$/SF/YR	Amount	\$/SF/YR	Amount	\$/SF/YR
Base Income										
In Place Area	\$ 188,380.00	\$ 16.42	\$ 200,037.00	\$ 17.43	\$ 189,622.00	\$ 16.52	\$ 267,048.00	\$ 23.27	\$ 218,028.00	#DIV/0!
Owner-Occupied Area	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Month-to-Month (MTM) Area	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dark Area (Vacant but paying rent)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vacant Area	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Percentage Rent - In Place Area	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Percentage Rent - Vacant Area	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Base Rent	\$ 188,380.00	\$ 16.42	\$ 200,037.00	\$ 17.43	\$ 189,622.00	\$ 16.52	\$ 267,048.00	\$ 23.27	\$ 218,028.00	\$ 19.00
Reimbursements										
Pet	\$ -	\$ -	\$ -	\$ -	\$ 200.00	\$ 0.02	\$ 200.00	\$ 0.02	\$ 200.00	\$ 0.02
Applicatin fee	\$ -	\$ -	\$ 165.00	\$ 0.01	\$ 420.00	\$ 0.04	\$ 420.00	\$ 0.04	\$ 420.00	\$ 0.04
Utility Reimbursements	\$ -	\$ -	\$ -	\$ -	\$ 215.00	\$ 0.02	\$ 285.00	\$ 0.02	\$ 285.00	\$ 0.02
Late Fee	\$ -	\$ -	\$ 25.00	\$ 0.00	\$ 110.00	\$ 0.01	\$ 110.00	\$ 0.01	\$ 110.00	\$ 0.01
Laundry	\$ 1,210.00	\$ 0.11	\$ 1,277.00	\$ 0.11	\$ 1,454.00	\$ 0.13	\$ 1,344.00	\$ 0.12	\$ 1,344.00	\$ 0.12
Other Expense Reimbursements	\$ -	\$ -	\$ 75.00	\$ 0.01	\$ 1,113.00	\$ 0.10	\$ 1,113.00	\$ 0.10	\$ 1,113.00	\$ 0.10
Total Reimbursements	\$ 1,210.00	\$ 0.11	\$ 1,542.00	\$ 0.13	\$ 3,512.00	\$ 0.31	\$ 3,472.00	\$ 0.30	\$ 3,472.00	\$ 0.30
Other Income										
Parking Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Gross Potential Income	\$ 189,590.00	\$ 16.52	\$ 201,579.00	\$ 17.57	\$ 193,134.00	\$ 16.83	\$ 270,520.00	\$ 23.57	\$ 221,500.00	\$ 19.30
Vacancy & Loss Concessions		0.00%		0.00%		0.00%		4.99%		0.00%
Less: Vacancy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,500.00	\$ 1.18	\$ -	\$ -
Less: Concessions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Collection Loss	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Other Losses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Vacancy & Loss Concessions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,500.00	\$ 1.18	\$ -	\$ -
Effective Gross Income	\$ 189,590.00	\$ 16.52	\$ 201,579.00	\$ 17.57	\$ 193,134.00	\$ 16.83	\$ 257,020.00	\$ 22.40	\$ 221,500.00	\$ 19.30

EXPENSES

	0.00%		0.30%		0.00%		1.95%		3.00%	
Variable										
Management Fee	\$ -	\$ -	\$ 600.00	\$ 0.05	\$ -	\$ -	\$ 5,000.00	\$ 0.44	\$ 6,645.00	\$ 0.58
Cleaning & Supplies	\$ 355.00	\$ 0.03	\$ 438.00	\$ 0.04	\$ -	\$ -	\$ -	\$ -	\$ 1,200.00	\$ 0.10
Legal & Accounting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utilities	\$ 11,529.00	\$ 1.00	\$ 12,620.00	\$ 1.10	\$ 5,901.00	\$ 0.51	\$ -	\$ -	\$ 12,600.00	\$ 1.10
Repairs & Maintenance	\$ 34,675.00	\$ 3.02	\$ 22,475.00	\$ 1.96	\$ 73,423.00	\$ 6.40	\$ 8,696.00	\$ 0.76	\$ 17,350.00	\$ 1.51
Landscaping	\$ -	\$ -	\$ 3,917.00	\$ 0.34	\$ 7,976.00	\$ 0.70	\$ 7,521.00	\$ 0.66	\$ 7,521.00	\$ 0.66
Trash & Snow Removal	\$ 2,097.00	\$ 0.18	\$ 2,619.00	\$ 0.23	\$ -	\$ -	\$ -	\$ -	\$ 2,450.00	\$ 0.21
General & Administrative	\$ -	\$ -	\$ 1,631.00	\$ 0.14	\$ 6,049.00	\$ 0.53	\$ 184.00	\$ 0.02	\$ 1,875.00	\$ 0.16
Advertising & Marketing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Professional Fees	\$ 3,115.00	\$ 0.27	\$ 4,590.00	\$ 0.40	\$ -	\$ -	\$ 500.00	\$ 0.04	\$ 3,400.00	\$ 0.30
Materials	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,852.00	\$ 0.77	\$ -	\$ -
Other Expenses - Variable	\$ 94.00	\$ 0.01	\$ 67.50	\$ 0.01	\$ -	\$ -	\$ 25,985.00	\$ 2.26	\$ -	\$ -
Total Variable Expenses	\$ 51,865.00	\$ 4.52	\$ 48,957.50	\$ 4.27	\$ 93,349.00	\$ 8.13	\$ 56,738.00	\$ 4.94	\$ 53,041.00	\$ 4.62
Fixed										
Real Estate Taxes	\$ 26,986.00	\$ 2.35	\$ 33,112.00	\$ 2.89	\$ 33,960.00	\$ 2.96	\$ 33,960.00	\$ 2.96	\$ 33,960.00	\$ 2.96
Property Insurance	\$ 6,826.00	\$ 0.59	\$ 8,132.00	\$ 0.71	\$ 8,292.00	\$ 0.72	\$ 8,292.00	\$ 0.72	\$ 8,292.00	\$ 0.72
Real Estate Taxes - Personal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Expenses - Fixed	\$ 239.00	\$ 0.02	\$ -	\$ -	\$ 239.00	\$ 0.02	\$ -	\$ -	\$ -	\$ -
Total Fixed Expenses	\$ 34,051.00	\$ 2.97	\$ 41,244.00	\$ 3.59	\$ 42,491.00	\$ 3.70	\$ 42,252.00	\$ 3.68	\$ 42,252.00	\$ 3.68
Total Expenses	\$ 85,916.00	\$ 7.49	\$ 90,201.50	\$ 7.86	\$ 135,840.00	\$ 11.84	\$ 98,990.00	\$ 8.63	\$ 95,293.00	\$ 8.30
Replacement Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,100.00	\$ 0.71

CASH FLOWS

	\$ 103,674.00 \$ 9.03		\$ 111,377.50 \$ 9.71		\$ 57,294.00 \$ 4.99		\$ 158,030 \$ 13.77		\$ 118,107 \$ 10.29	
Net Operating Income										
Capital Expenditures										
Capital Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Expenditures - Non-Recurring Item	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Capital Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tenant Improvement & Leasing Costs										
Tenant Improvements Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Leasing Commission Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total TI & LC Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Cash Flow Available for Debt Service	\$ 103,674.00	\$ 9.03	\$ 111,377.50	\$ 9.71	\$ 57,294.00	\$ 4.99	\$ 158,030.00	\$ 13.77	\$ 118,107.00	\$ 10.29
Annual Debt Service - Extensia Financial U/W Loan	81,602.44		81,602.44		81,602.44		81,602.44		81,602.44	
Net Annual Cash Flow After Debt Service			29,775.06		(24,308.44)		76,427.56		36,504.56	
Debt Service Covrg. Ratio - Extensia Financial U/W Loan	1.27		1.36		0.70		1.94		1.45	

NOTES: P&L Statements for 2016 indicate \$73,424 in Total Repairs and Maintenance which included \$55,885 in renovations to the property. Smaller renovation amounts were also indicated in 2014. Planned renovations returning 3 units to occupancy including 1 currently used as maintenance and work space, and renovations to additional units allow rent increases provided for in Extensia underwriting.

Loan Participation Summary

Barton Cove Apartments
1123 Hollow Creek Dr, Austin, TX 78704



Current Debt & Use of Funds

Sources of Funds

Proposed Loan:	\$1,350,000
Mezzanine Debt:	\$0
Private Equity:	\$0
Borrower Equity:	\$0
Other Capital:	\$0
Total Amount of Sources:	\$1,350,000

Uses of Funds

Payoff of Existing Loan:	\$696,000
Payoff of Other Loans:	\$0
Extensia Application Fee:	\$2,500
Total Loan Points:	\$13,500
Shared Points or Rebates:	\$0
Net Points to Extensia:	\$13,500
Lenders Legal:	\$3,000
Broker Fee Amount:	\$13,500
Appraisal:	\$4,000
ESA, PCR & Seismic:	\$3,000
Lender Holdback:	\$100,000
Extensia Closing Fee:	\$1,500
Estimated Closing Costs:	\$2,500
Total Use of Funds:	\$839,500
Cash-out (Equity Required):	\$510,500

Loan Purpose / Critical Dates

Acquisition / Refinance:	Refinance
Cash or 1031:	N/A
1031 / Closing Deadline:	TBD

Acquisition Information

Purchase Price:	\$0
Requested Loan(s):	\$0
Estimated Closing Costs:	\$0
Borrower's Required Equity:	\$0
Purchase Price per Sq. Ft.:	\$0.00 per Sq Ft
Loan to Purchase Price:	0.00%

Borrower Basis Information

Original Purchase Date:	10/15/98
Original Purchase Price:	\$725,000
Other Costs:	\$0
Paid in Capital (Down payment):	\$0
Capital Improvements:	\$500,000
Total Borrower Basis:	\$1,225,000
Borrower's Basis per Sq. Ft.:	\$81.00 per Sq Ft
Loan to Cost Basis:	110.20%
Residual Equity:	-\$125,000
% of Residual Equity:	-6.48%

Discussion Regarding Use of Cash Out Proceeds

The Uses of Funds including \$100,000 improvement holdback are to Remodel 5 Units at Barton Cove - \$72,000, Repave Parking Lot - \$15,000, Landscaping upgrade - \$8,000, Remodel 3 Units at Willowood Apts - \$30,000, Pay down Willowood Mortgage - \$70,000, Retire Personal Debt - \$150,000. Additionally, Cash Reserve/Investment Pool - \$268,500 for the purchase another multifamily property in 2017.

Existing Debt

Current Lender:	Fidelity Bank	Loan Term (Years):	unknown
Outstanding Balance:	\$696,000	Loan Amortization (Years):	unknown
Current Interest rate:	unknown	Current Loan Maturity:	unknown
Recourse (Yes/No):	unknown	Loan Past Due (Yes/ No):	No

Reason Current Lender is Not Refinancing

Unknown

Loan Participation Summary

Barton Cove Apartments

1123 Hollow Creek Dr, Austin, TX 78704



Borrowing Entity & Guarantor Overview

Borrowing Entity Summary			
Borrowing Entity Name:	Barton Cove Apartments II, LLC		
Borrowing Entity Type:	Limited Liability Company	Combined Assets:	\$6,305,853
Borrower Street Address:	3503B Bridle Path	Combined Liabilities:	\$1,944,494
Borrower City / State / Zip:	Austin, TX 78703	Combined Net Worth:	\$4,361,359
Combined Liquidity / D.S. (Mos.):	28 Months	Combined Debt to Net Worth Ratio:	44.58%
		Combined Liquidity:	\$191,053

Borrowing Entity Narrative

The subject property is owned by Barton Cove Apartments II, LLC.

Guarantor #1			
Name:	John Carter Shanklin	Assets:	\$6,305,853
City / State / Zip:	Austin, Texas 78704	Liabilities:	\$1,944,494
Ownership Interest:	100.00%	Net Worth:	\$4,361,359
Mid-Credit Score:	703	Debt to Net Worth Ratio:	44.58%
		Liquidity:	\$191,053

Guarantor #1 Narrative

Mr. Shanklin is an experienced real estate investor purchasing the subject property in 1987 and now owning 4 multifamily properties valued at over \$5,000,000. He self-manages all properties and works with a growing number of Condominium Homeowner Associations. He is a partner in PSW Homes, LLC, a real estate development company that focuses on urban infill redevelopment in central Austin. Mr. Shanklin spent 20 years in the corporate world working in a variety of start-ups and for Fortune 1000 companies including 14 years with Pearson Plc, the world's largest educational publishing company. At Pearson, Mr. Shanklin held a variety of field sales, editorial and line management positions with direct P&L accountability.

Mr. Shanklin holds an MBA from St. Edwards University and a BA in Economics from the University of Texas at Austin.

Loan Participation Overview & Recommendations



Property Summary

Property Name:	Barton Cove Apartments		
Street Address:	1123 Hollow Creek Dr	Property Type:	Multifamily
City, State ZIP:	Austin, TX 78704	Property Sub Type:	Garden Apartments
County:	Travis	Gross Square Feet	15,123 Sq Ft

Borrower Summary

Borrowing Entity Name:	Barton Cove Apartments II, LLC		
Borrower Street Address:	3503B Bridle Path	Borrower Combined Net Worth:	\$4,361,359
Borrower City / State / Zip:	Austin, TX 78704	Borrower Combined Liquidity:	\$191,053
Borrower Primary Contact:	John Carter Shanklin	Combined Liquidity / Debt Service:	28 Months

Loan Summary

Loan Amount:	\$1,350,000	Extensia Origination Fee:	1.000%
Interest Rate:	4.450%	Lock Out Period (Years):	None
Loan Amortization:	30 Years	Exit Fee:	N/A
Prepayment Penalty:	3,2,1,1,0	Crossed (Yes /No)?:	No
Loan Program:	5+5 program. Ten year balloon fixed for the initial five years of the term, then adjusting at the end of the fifth year to an interest rate equal to the greater of the loan start rate or the then-current 5-year constant maturity treasury rate plus a 2.5% margin, fixed for the remaining five years of the loan.		

Participation Yields

Lead Lender Yield on First 10%:	4.310%
Lead Lender Yield on Balance:	3.910%
Participant Yield:	3.910%

Starting Loan Metrics

Debt Coverage Ratio:	1.45x
Loan-to-Value:	69.9%
Loan per Sq. Ft.:	\$89.27 per Sq Ft

Ending Loan Metrics

Loan Balance at Maturity:	\$1,079,476.85	Loan per Sq. Ft. at Maturity:	\$71.38 per Sq Ft
% of Principal Reduction:	20.0%	LTV at Loan Maturity:	55.9%

Extensia Financial Loan Closing Conditions

Loan Closing Conditions will be as follows:	
1) Impounds:	Property taxes and insurance will be impounded.
2) ACH:	The loan payments will be collected via ACH.
3) Costs:	The cost and expense to be incurred in connection with the loan (e.g. legal/documentation fees, title fees, etc.) shall be paid by the Borrower.
4) Reserves:	A lender controlled impound account will be established with a \$100,000 holdback at closing for improvements of the property including remodeling 6 units, repaving parking lot, and landscape updating. Holdback to be released with documented evidence of completion.

Extensia Financial Participation Offering Authorization

<p>DocuSigned by: <i>Jon Wiegand</i> 3BACBDEA5E2C45D... Jon Wiegand Date: 3/13/2017 Business Development Officer</p> <p>DocuSigned by: <i>David Eberstein</i> 8F8EE171D267431... David Eberstein Date: 3/13/2017 Chief Financial Officer</p> <p>DocuSigned by: <i>Dan Gushue</i> 366275AE60154AF... Dan Gushue Date: 3/13/2017 Chief Credit Officer</p>	<p>DocuSigned by: <i>Denise Mattice</i> 53334831EBCF4AB... Denise Mattice Date: 3/13/2017 Chief Sales & Service Officer</p> <p>DocuSigned by: <i>Craig Page</i> 90ACEE9140E548F... Craig Page Date: 3/14/2017 Chief Loss Mitigation Officer</p> <p>DocuSigned by: <i>Pamella C. Easley</i> 13D26E257730446... Pamella C. Easley Date: 3/15/2017 President & CEO</p>
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