

Construction Lending Guidelines



ORIX USA's Construction Lending platform provides capital for development projects across the United States, supported by a fully discretionary balance sheet.

Loan Amount	\$20MM+
Loan Purpose	Financing for the ground-up development of income-producing commercial real estate
Eligible Property Types	Multifamily (including Build-to-Rent (BTR), Affordable Housing, Seniors Housing, and Student Housing); Industrial; Hospitality; Retail; Office; Self Storage; Medical Office; Mixed-Use; Other Income-Producing Commercial Real Estate on a case-by-case basis
Eligible Markets	Primary and Secondary US Markets; tertiary markets considered on a case-by-case basis
Leverage Constraints	LTC up to 80.0% Stabilized LTV up to 75.0% Stabilized DY target of 7.5% with a minimum of 7.00%
Initial Loan Term	Dependent on construction timeline. Up to 4 years
Extended Loan Term	Up to 6 years
Interest Rate /Index	Floating-rate 30-day SOFR plus a competitive market spread. SOFR caps required
Interest & Operating Reserve	Required, based on Lender projections
Fees	Origination Fee Extension Fees & Exit Fees as applicable
Prepayment	Flexible relative to construction timeline
Reserves / Escrows	Escrows for taxes, insurance and replacement reserves required
Recourse / Guaranties	Non-recourse subject to customary carve-outs for bad-boy acts Completion and funding guaranties required. Other structural guaranties may be required
Contract & Contingency Requirements	GMP or Stipulated Sum Contract required, based on fully permitted plans/specs Required hard and soft cost contingencies

Target characteristics shown above are provided for informational purposes only and subject to change. They are based on current market conditions and do not guarantee that all investments will meet the above criteria or will perform as expected.