

\$850,000 First Mortgage Loan

Prepaid Interest for Eighteen (18) Months

Secured by Prime \$1.75 Million COOP

Unit 18-A, 80 Central Park West NY, NY 10023

Across from Central Park with Sweeping Views



\$400,000 Series A Face, Effective 15.38% pa
\$250,000 Series B Face, Effective 17.72% pa
\$200,000 Series C Face, Effective 22.82% pa
\$850,000 Total

2@ \$200,000 Face, \$162,500 net cost per unit.
2@ \$125,000 Face, \$ 98,750 net cost per unit.
2@ \$100,000 Face, \$ 74,500 net cost per unit.



CHESTERFIELD FARING LTD

1345 Avenue of the Americas, New York NY 10105

Executive Summary

Overview Chesterfield Faring Ltd (the “**Lender**”) is providing a new \$850,000 first mortgage loan (the “**Loan**”) secured by the \$1.75 million 1,000 SF COOP residential property at 80 Central Park West, New York New York 10023 (the “**Property**”), Unit 18-A. The Property faces Central Park with sweeping views, forever unobstructed.

Property Description.

The Property consists of a 1,000 SF COOP on 80 Central Park West, 18-A. The Property is a one (1) bedroom pied de Tierre. It has one-and one-half bathrooms. It has sweeping views of Central Park.

Key Points.

- It is not owner-occupied.
- It is valued at \$1.75 million (the “Value”).
- The Borrower will pledge their COOP shares with a recorded UCC-1 to the Lender.
- Also, a first mortgage loan will be provided but unrecorded unless a default occurs upon maturity.

Financing. The entire building is secured by a \$12.7 million first mortgage with TD Bank.

The interest rate is 2.5% above one-month LIBOR or SOFR which is quite low.

The Borrower. Alexandra Cronin borrowed from the Lender in the past. They honored the terms of their loans. The Borrower’s mother is ill. The Loan proceeds will pay medical bills and overhead until her mother is well again. The interest rate is above market since she cannot work until her mother recovers. Borrower plans to sell within six (6) months. Our term is eighteen (18) months.

The Loan The gross funded amount of the Loan is \$850,000 less closing costs with 18-month prepaid interest reserve. The Loan term is eighteen (18) months with the right to extend for six (6) months for 2.0% payable to the Investors.

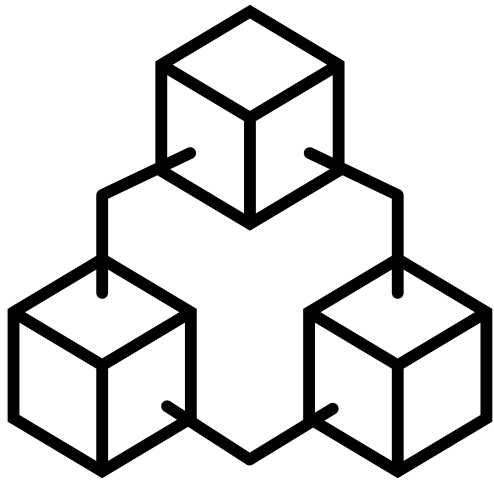
Participations. The Loan is divided into three (3) tranches and six (6) units. The Series A has two (2) units at 200,000 face amount per unit at a net amount of \$162,500 after deducting \$37,500 in prepaid interest. The net effective annual yield is 15.38%.

The Series B has two (2) units priced at \$125,000 face amount each at a net cost of \$98,750 per unit after deducting \$26,250 of prepaid interest. The net effective annual rate of 17.72%.

The Series C has two (2) units priced at \$100,000 face amount each at a net cost of \$74,500 per unit after deducting \$25,500 of prepaid interest. The net effective annual rate of 22.82%.

Highlights. The Loan is only 38.37% Loan to Value. The Loan is \$850,000 and the Value is \$1.75 million. The Lender will buy the Loan from the Investors at the \$850,000 Loan amount if the Borrower does not pay off within 30 days after the maturity date that includes extensions.

Units Available



Gross Series	Face	Interest	Net	LTV	Base Rate	Effective Rate
Series A	\$400,000	\$75,000	\$325,000	18.57%	12.50%	15.38%
Series B	\$250,000	\$52,500	\$197,500	11.29%	14.00%	17.72%
Series C	\$200,000	\$51,000	\$149,000	8.51%	17.00%	22.82%
Totals	\$850,000	\$178,500	\$671,500	38.37%		
Per Unit	# of Units	Face PU	Interest	Cost	Cum LTV	
Series A	2	\$200,000	\$37,500	\$162,500	18.57%	
Series B	2	\$125,000	\$26,250	\$98,750	29.86%	
Series C	2	\$100,000	\$25,500	\$74,500	38.37%	
Totals	6					

As a first mortgage loan, the yields are far above market starting at an effective rate of; i) 15.38% at only 18.57% Loan to Value for the Series A, ii) 17.72% at only 29.86% Loan to Value for Series B , plus iii) 22.82% at 38.37% Loan to Value for the Series C.

The Lender will buy back the Loan upon maturity if the Borrower does not repay the Loan for the full amount, then due of \$850,000.



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The Property



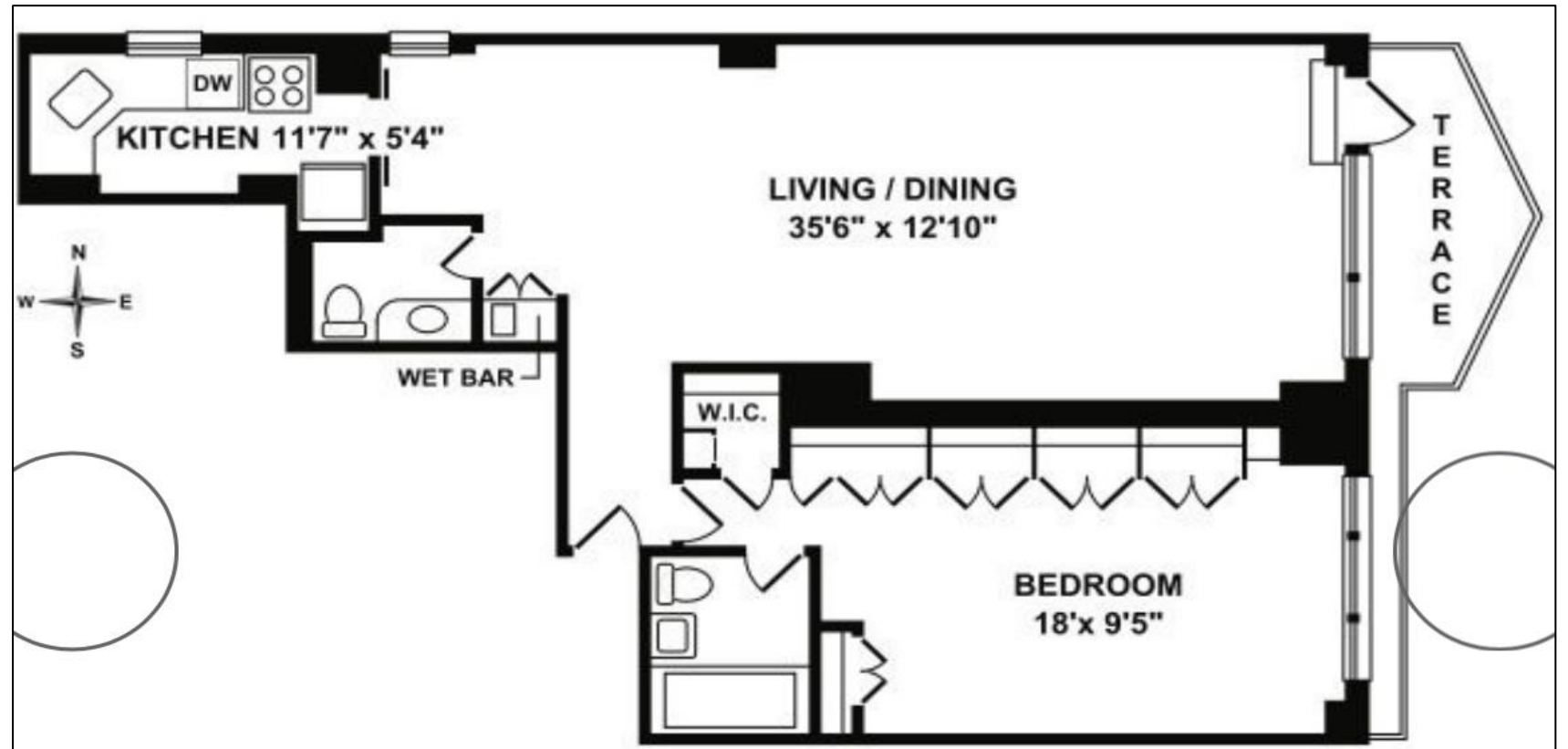
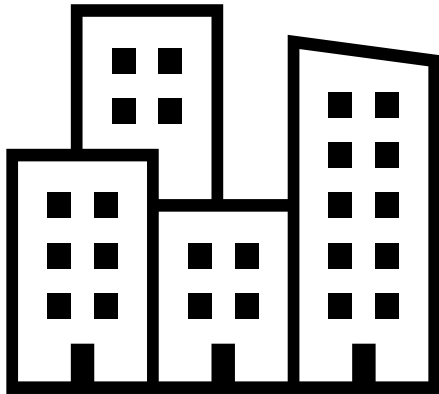
Living Room



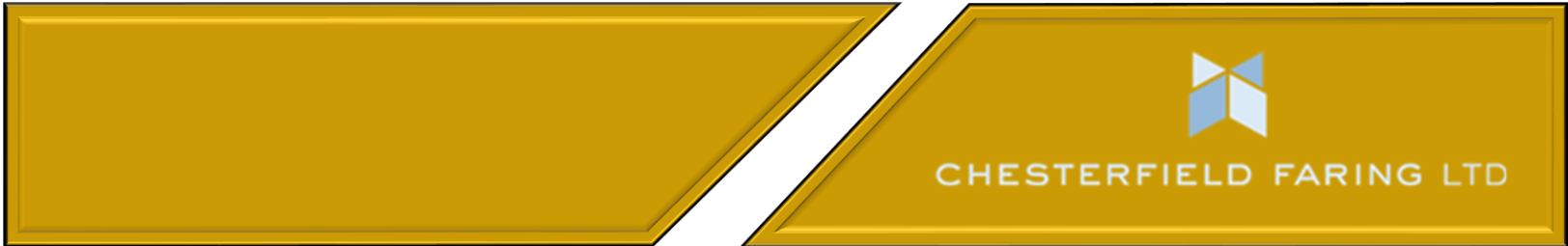
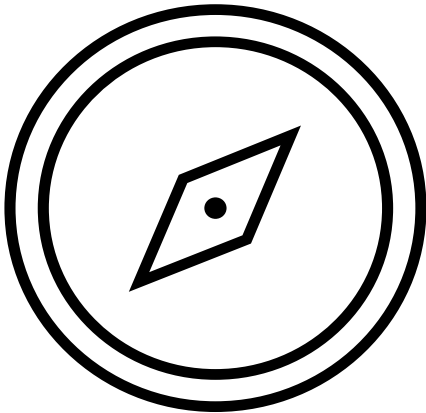
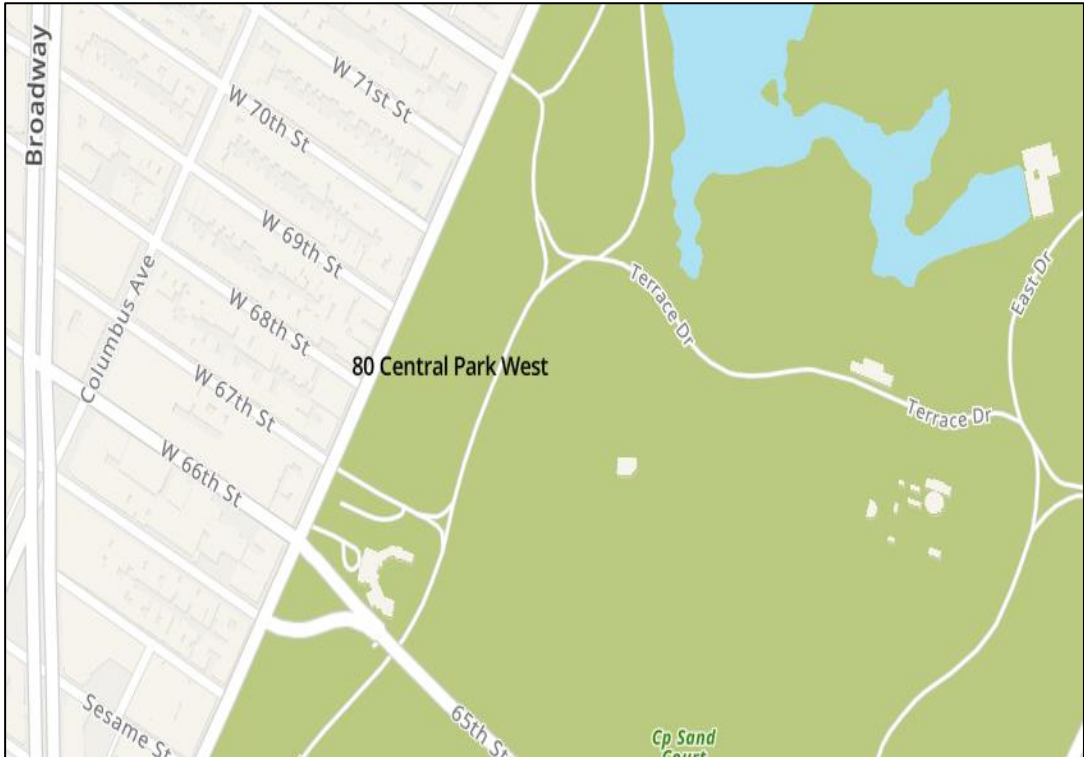
Kitchen



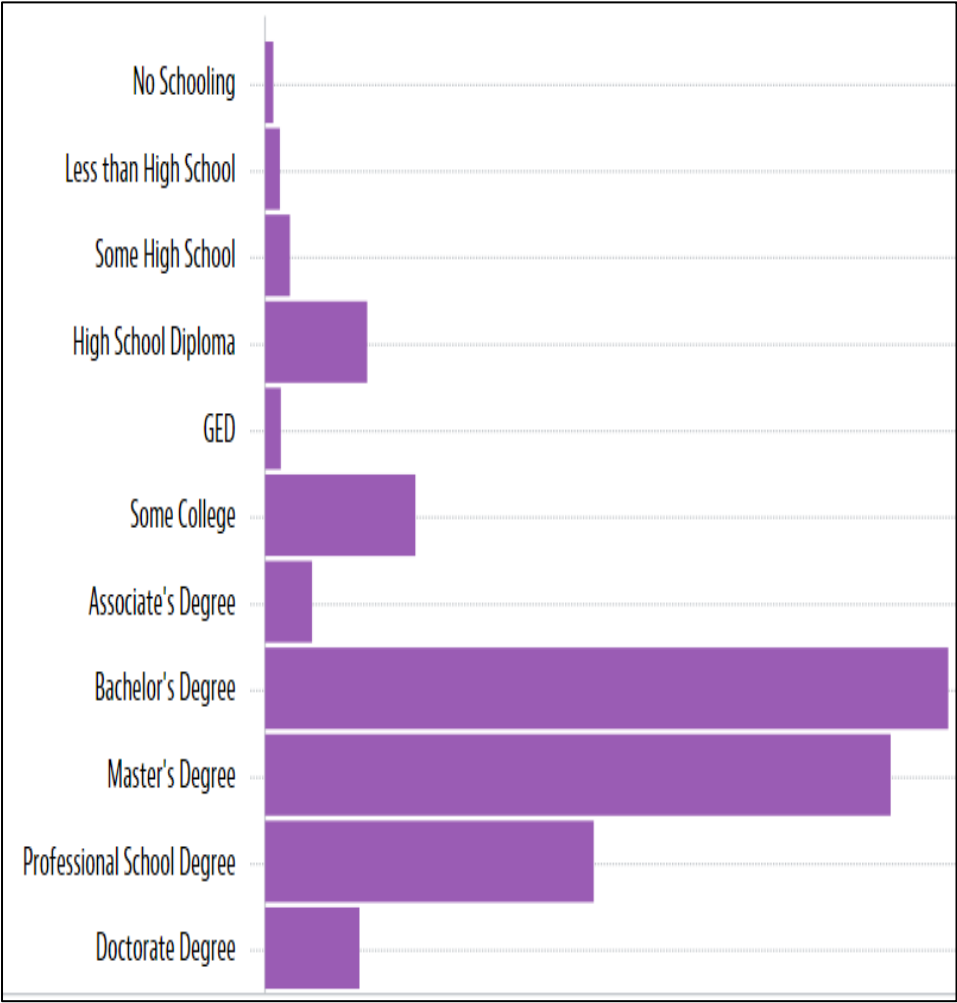
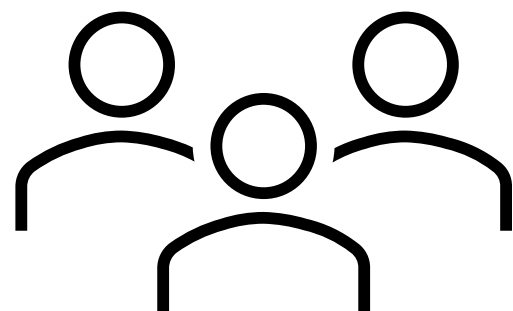
Bedroom



Location



Demographics



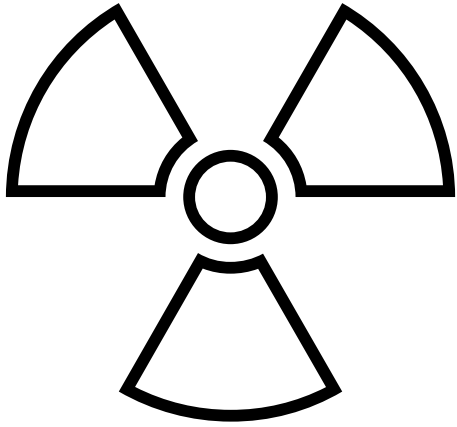
The median age is 40, 41% of residents are married, and 18% have at least one child.

The median individual full-time income is about \$133,368 and about 33% of adults here have a bachelor's degree or higher. Registered voters in this building are 84% Democrat.

Comparable Sales in the Property

- \$1,750,000
Wednesday, May 25 2022 [# 12D](#)
- \$1,950,000
Wednesday, April 20 2022 [# 24A](#)

Mitigating Risks



The yields on this investment far exceeds the risk.

- First, this is a repeat borrower who is currently paying a previous high yielding instrument to the Lender.
- Second, the collateral far exceeds our cost basis in this first mortgage.
- Third, the location and quality of the Property is highly desirable.
- Fourth, comparable sales show that a range above \$1.75 million is probable.
- Fifth, the Borrower is putting the Unit back on the market for sale in September 2022.



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