



Bison Financial Group  
735 Arlington Avenue N., Suite 110,  
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## MERCHANT DEVELOPER PROGRAM

### Overview:

Looking for a few quality developers of single tenant or “easy to understand” multi-tenant projects. Our investment partner owns several billion dollars of projects with long term cash flows provided by high quality tenants and is seeking new, compelling investment opportunities.

### Focus:

If your existing lender relationships are still providing you with 85-90-95% non-recourse construction financing... stop reading this. You have a good situation and you need to be thankful for your good fortune. If you are looking for an investor that is laser focused on the quality of the tenant and the duration of the income stream that will be created... keep reading.

We will overlook the bumps, bruises and battle scars you have endured since the meltdown of 2008 because we care more about the cash flow from your tenant than we care about your "Great Recession" baggage. If you are developing a project for a tenant we like... our investment partner will fund **100+%** of the total development budget.

The + in the last sentence is your developer fee.

### What do we like?:

Seeking projects that generate a long-term, high quality income stream from tenants that are considered “investment grade” by the rating agencies or unrated companies with especially strong audited financials and fundamentals (e.g. WaWa, etc.). Agnostic as to property type. Will entertain: retail, office, warehouse/industrial, data centers, R&D, medical, and renewable energy projects with electricity power purchase agreements. We will also consider municipal / government assets including buildings, administrative offices, schools, master leased student housing, bridges, roads, sewage treatment plants, parks, jails, etc.

**Willingness to take speculative risk not backed by a long-term master lease:**

There are three areas in which we will take **speculative risk** not backstopped by the tenant's credit:

- **Grocery anchored retail** (e.g. a Publix with 15,000 sf of local/non-credit space)
- **Senior Housing:** Assisted Living & Memory Care Facilities in locations with **exemplary market studies** and demographics
- **Student housing** in "shooting fish in a barrel 'beachfront' locations within walking distance to a 4-year university with 8,000+ students"

**Investment Size:**

\$10+ million for stand-alone projects. We can do smaller individual transactions that are part of cookie-cutter platform to deliver same type project to same tenant over and over (e.g. 10 WaWa gas/c-stores at \$2,000,000 average per location).

**Property Locations:**

Nationwide with large projects considered in select International markets

**Sale / Leasebacks considered?:**

Yes, seeking off market opportunities **not** listed by major CRE brokerage shops. We are especially focused on opportunities to acquire a building and do a renovation-to-suit.

**Can I stay in the deal as a JV partner?:**

No. Our investors are looking to step into your shoes and purchase your development rights for a pre-determined price. For projects with especially compelling economics a bonus developer fee paid on achieving profitability milestones can be negotiated.

## **Process Overview:**

- Developer to share 5 to 10 high level bullet points with Bison (name / credit profile of tenant and basic economics such as length of primary term of the lease, lease terms and the amount of the cash flow)
- *If acceptable to Bison...*
- Developer submits detailed due diligence package (executive summary, proof of site control, development budget, project Pro-forma, tenant approval letter, executed lease/LOI/PPA, etc.)
- Investor and Developer agree on amount and timing of Developer Fee
- Investor and Developer enter into a Master Development Agreement outlining all terms, roles and responsibilities in the transaction
- Investor closes on the subject land and reimburses Developer for all pursuit costs at closing
- Developer submits monthly construction draw requests which are funded by Investor
- Upon completion and rent commencement by Tenant, Investor makes final payment to Developer for any remaining amounts or Bonus Payments to Developer

## **Benefits to Developer:**

- This program is based on the credit worthiness of the tenant, not the developer
- Develop more properties for a more diverse group of tenants with the same capital base
- Develop much larger projects than your current capital base will support
- Simplified structure with one investor serving what has traditionally been three roles (equity investor, construction funding and purchaser)
- Stop trying to raise "country club equity" or "play nice" with a shrinking list of commercial banks willing to take construction risk and instead spend your time looking for tenants, building buildings or playing with your kids / grandkids
- Make more money because you make typical Development Fees **PLUS** Developer's Profit vs. straight "Fee Development" deal or "Cost Plus" deal
- Cost savings for Developer
  - No traditional appraisal required since this is a purchase, not a loan
  - Since the Investor closes on the land, there is only one closing — saving disposition broker's fees, attorney fees, transfer taxes, etc. on the second closing
  - No lender fees or interest due since this is a purchase
- This is not a loan so there is not Unlimited Personal Recourse like a traditional bank construction loan

## **For more information please contact:**

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