Chemical Tanker Debt Financing

10yr old 40,000 dwt chemical tanker

Borrower: Marshall Island incorporated company with offices in Greece

Capital sought: appr. $8 mil for acquisition of app. $10 mil tanker

Ship Description: 10yr old 40,000 dwt chemical tanker

Operating Company: Well established company in the ownership and management of tanker vessel; 20+ yrs record and audited financials can be provided. Vessel to be operated by affiliated company in the spot market, earning $5,000 - $15,000 pd

Structure: First preferred ship mortgage as security, along with assignment of insurance policies, etc.  Appr 80% leverage; Loan to have 5yr term, with principal to amortize over 10yrs ($4 mil billion balloon payment on maturity)

Interest rate: Borrower is willing to pay appr. Libor + 650 bps