

POTENTIAL PRIVATE MONEY LOAN
CHECKLIST

1. What is the full address of the property?

2. What type of loan is this?

- Cash Out
- Purchase
- Rate and Term

3. What is the estimated value?

3.1 Is there an appraisal?

- YES
- NO

4. What type of strategic finance is it?

- Fix and flip
 - Buy and hold
 - Fix and hold
 - Bridge
 - Other
-

5. What type of property is it?

- Commercial real estate,
 - Multi-family,
 - Single family,
 - 2-4 units
 - Other
-

6. How many units are in the property? _____

7. What is the purchase price value? _____

8. What is the desired loan amount? _____

9. Are there any existing liens on the property?

- YES**
- NO**

10. What is the owner's credit score?

- 300-450**
- 500-550**
- 600-650**
- 700-750**
- 800 and above**

11. What will the cash out be used for?

12. Please provide the existing rent roll if applicable

13. Is there any work needed on the property?

- YES**
- NO**

If so, what is needed and what is the budget for that work? Please include construction budget or answer below:

14. What are property owners current assets?

15. What is the property owner able to put as a down payment?

17. Is the owner currently in contract?

YES

NO

If so, what is the scheduled closing date?

18. Are they a seasoned investor?

YES

NO

19. Do they have experience in fix and flips?

YES

NO

If so, when was the last time they flipped a property?

20. Please provide an overview of this owner and this property's history and current condition

BRIEF OVERVIEW OF HARD MONEY LOANS

Hard money loans are a great option for people who might not have the best credit score, but who still need/want to get their hands on funding. They're perfect for investments, such as fix and flip properties. There are four main types of hard money loans: 1. transactional, 2. bridge, 3. Rental, and 4. commercial.

1. Transactional Hard money loans are typically short-term loans to finance the purchase of a property. They work best for investors looking to buy, fix, and sell a property quickly.

This type of loan is based on the property's after-repair value, so the lender is taking on more risk than with a traditional loan. They are often easier to qualify for because the borrower does not need to have a high credit score or a lot of equity in the property. **Benefits of Transactional Hard Money Loans;**

Faster Approvals and Easier to qualify: As long as the borrower has a solid plan for how they will use the loan and pay it back quickly, most hard money lenders will be happy to provide the funds.

2. Bridge Hard Money Loans are another popular option for borrowers looking for fast access to cash. Bridge loans are popular because they allow you to complete the sale and purchase process without waiting for your existing home to sell. These loans are based on the property's value, so the lender is taking on less risk than a transactional loan. However, these loans may have higher interest rates and fees because the borrower takes on more risk. **Benefits of Bridge Loans;** **Flexibility:** Bridge loans offer borrowers a lot of flexibility. Borrowers can use the loan to finance the purchase of their new home and have up to 12 months to sell their current home.

3. Rental Hard Money Loans; A rental loan is ideal for individuals who want quick access and flexibility if they need emergency funds or other resources while investing in their project- especially if there's an issue with code compliance; this allows property owner to spend on what's essential without wasting valuable time. **The benefits of a rental loan;** **The interest-only option:** You only need to make payments on the loan's interest for a set period, giving you some breathing room as you get your project off the ground. **Fast funding:** Rental hard money loans can be funded in as little as five days. **No prepayment penalty:** You can do so without any penalties if you want to pay off your loan early.

4. Commercial Hard Money Loans Commercial loans can help finance the purchase or renovation of a commercial property. These loans have a shorter term than traditional bank loans and have higher interest rates. **Benefits of Commercial Hard Money Loans; Higher loan amounts:** Commercial hard money loans typically have higher limits than residential loans. This means that you can finance a larger project with a commercial loan. **Versatile:** Whether you need funds to remodel an office space or renovate a retail store, a commercial hard money loan can help. **Better Loan To Value (LTV):** Commercial hard money loans typically have a higher LTV ratio than residential loans. So, you can borrow more money against the value of your property.