



FIX-N-FLIP LOAN OVERVIEW PROGRAM #1

What if buying and fixing up an investment property wasn't complicated, inefficient and expensive?

Welcome to First Commercial Funding Corp., the future of hard money lending . . . Today! Our investor funding programs and processes are designed using today's technology, a more simplistic approach to the loan funding process and a very competitive pricing model that's literally unmatched in today's real estate financing market.

Whether you are a first time investor or a highly seasoned investor, our real estate investor financing programs are an ideal resource to achieve your ultimate real estate acquisition objectives. Please see our basic funding guidelines below that will equip you with the knowledge to be able to get your first real estate deal on track and closed!

Loan Funding Guidelines

Lending Area	Colorado*, Florida*, Georgia, Illinois*, Missouri, Ohio*, South Carolina*, Tennessee, Texas*, Virginia, Washington, West Virginia. (*Colorado, Florida, Illinois, Ohio, S. Carolina and Texas - Max. LTV is 75%).
First Time Investors?	Yes.
Business Entity	Funding must be approved in a business entity name.
Purchase Transactions	Will fund up to a maximum of 90% of the purchase price, not to exceed a loan amount of 75% or 80% (depending on the state property is located) of the current AS-IS Value.
Rehab Transactions	Can fund up to 100% of the rehab project cost in conjunction with a purchase transaction. The total rehab loan amount cannot exceed the sales price of the property being purchased.
Down-Payment Requirement	All purchase transactions require a minimum of 10% down-payment of the final purchase price. There is no seasoning requirement of the down payment. We DO NOT provide 100% purchase financing.
Refinance Transactions	Will fund up to a maximum of 75% or 80% (depending on the state property is located) of the current AS-IS Value. Current owner must have been on title of property for a minimum of 181 days to qualify for cash out refinance.
Days To Close	On average we can close on any transaction within 10-15 business days from the time we receive ALL REQUIRED DOCUMENTATION . Delays in closing are normally due to appraisal/property value, title issues, etc. <i>For purchase transactions</i> , the purchase agreement/contract closing date must be a minimum of 15 business days from the time we receive all required documentation or the purchase agreement/contract must be amended to extend the closing date.
Loan Amounts	\$75,000 - \$1,000,000.
Credit Score Requirement	All three (3) credit scores must be a minimum of 550+ to qualify for loan funding.

Property Appraisal A traditional property appraisal is NOT required to underwrite and close a loan funding. We use a proprietary residential automated valuation model (AVM) and a Broker Price Opinion (BPO) to determine the AS-IS and ARV values of a property, saving you time and money. *Loan transactions in the state of Georgia require a full property appraisal.*

No Verification Of Income No verification or documentation of personal or business income is required.

Reserves Required All loan transactions **require that you verify 3 months of interest payments** (Reserves) via your bank statements. The most recent account balance reflecting on your bank statement is the basis for documenting your 3 months reserves. No seasoning of funds is required so real time deposits can be made to meet this underwriting requirement.

Terms of Loan Funding

Property Type 1-4 residential units (including condos, townhomes & PUDS).
Investment properties ONLY. WE DO NOT FUND owner occupied properties.

Transaction Type Purchase or refinance.

Interest Rates Varies - Based on LTV & experience.

Origination Fees 2.5% - 3.5% of loan amount (subject to a minimum fee of \$3,500).

Junk Fees None. Legitimate 3rd party fees charged at cost with no mark ups.
Appraisal \$495.00. Processing \$495.00

Loan Amount Up to \$1,000,000 (\$75,000 minimum).

Loan-to-Value 75% or 80% depending on the state property is located. See list of states currently doing business in.

Rehab Can finance up to 100% of rehab cost, not to exceed the purchase price of the property and not to exceed 75% or 80% of the ARV (depending on state where property is located). Rehab amount cannot exceed purchase price. Max rehab loan \$500K.

Rehab Disbursement After request for rehab loan funds is initiated, funds are disbursed within 3 business days after completion of inspection of completed work.

Loan Term 12 months.

Rate Type Fixed monthly payment, interest only.

Prepayment Penalty None.

Note: Terms are subject to change. Final terms vary depending on the LTV, property and borrowing entity.

Qualifications

Listed below are the MANDATORY underwriting qualification criteria in order to be approved for our short term hard money financing program. These underwriting guidelines are mandatory and cannot be waived. The qualification criteria listed applies to an individual borrower or the guarantor, if applying in the name of a business entity.

- All three credit bureau scores must be at least 500 or above.
- Must provide last 3 months of personal bank statements, including all pages for each month.
- Most recent bank account balance must document 3 months of reserve payments (monthly loan payment for new loan amount).
- No foreclosures or bankruptcies within the last 24 months. Prior bankruptcy and or foreclosure will require a written letter of explanation.
- No more than 2 overdraft events or Non-Sufficient Funds events reflected in bank account statements within the last 3 months.
- No more than four (4) 60 day late payments in the last 24 months on any installment account or mortgage account.
- No unpaid tax liens. Any unpaid tax liens reporting in public records will be required to be paid before or at closing.
- No record of criminal felony convictions within the last 7 years. Any prior criminal convictions will require a letter of explanation and is subject to review and approval by underwriter on a case by case basis.
- No convictions of any type of financial fraud, ever.

IMPORTANT NOTES

1. FOR REFINANCE Transactions: In order to use market value, borrower must have been on title for a minimum of 181 days.
2. If you do not meet any one of the specific qualifying guidelines listed above please contact us to discuss if there is any alternative way of "structuring" your investment real estate transaction.



Pre-Qualification Checklist

We want to make sure your experience is frictionless. The best way to do that is to set expectations up front. Below you will find a checklist of documentation you need to prepare in order to expedite your loan approval and funding. Once complete, nothing stands in the way of you and cheaper, quicker and more plentiful capital.

Here is a checklist of documents you need to gather in order to complete your first loan application.

Borrower Eligibility

For Limited Liability Companies and Corporations

- Certificate of good standing
- Operating agreement/Corporate charter/Bylaws
- Articles of Organization/Incorporation
- Certificate of foreign registration (if applicable)

Financial Information

For the Borrower, most recent

- Schedule of Real Estate Owned (template available)
- 3 months bank statements for each account, all pages and full account number
- List of past projects to verify experience, if any (template available)
- Copy of government issued ID
- Voided check for ACH auto debit

Property Information

- Purchase agreement (including all counter offers and addenda)
- Rehab scope of work (template available)
- Comparable properties to demonstrate value

GREAT NEWS: Do this once and its smooth sailing from here. Our system saves these documents and automatically attaches them to the next loan application assuming you borrow under the same entity name. With the exception of periodic updates to certain documents, once you are prequalified you will only have to submit the property specific information moving forward!

If you have questions about these requirements please feel free to contact us.

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