



FIX-N-FLIP LOAN OVERVIEW LINE OF CREDIT PROGRAM

Line of credit program for experienced investors

Lines of credit available from \$500,000 to \$5,000,000. Get approved once and work on multiple properties at the same time, up to the approved line of credit amount. Once approved and in the system, just submit basic information on the property being purchased and close within 2-3 weeks. See below for the required documentation to be approved for our line of credit program.

Loan Funding Guidelines

Lending Area	46 states (metro areas).
First Time Investors?	No. Must have completed at least two properties in the last 12 months.
Business Entity	Funding must be approved in a business entity name. All entity owners must personally guarantee loan.
LTV Guidelines	<p><u>1-4 unit properties</u> The lesser of 80% of acquisition and rehab costs or 65% of after-repair-value (ARV)</p> <p><u>Multifamily (5-30 units)</u> The lesser of 75% of acquisition and rehab costs or 60% of after-repair-value (ARV)</p>
Days To Close	14 - 21 days
Loan Amounts	\$50,000 - \$1,000,000.
Credit Score Requirement	Generally a credit score above 620 without any bankruptcies, foreclosures or short sales in the last two years.
Property Appraisal	A traditional property appraisal is required to determine the AS-IS value and ARV value of the property.

Terms of Loan Funding

Property Type	1-4 residential units (including condos, townhomes & PUDS). Multifamily (up to 30 units) Investment properties ONLY. WE DO NOT FUND owner occupied properties.
Transaction Type	Purchase or refinance.
Interest Rates	Varies - Based on LTV & experience. Generally 12% - 13%.
Origination Fees	3.00% - 3.5% of loan amount.
Fees:	1-4 Units - \$995 processing/underwriting fee (includes appraisal). 5+ Units - \$1,995 processing/underwriting fee (includes appraisal)
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	9 months (3 month extension available).
Rate Type	Fixed monthly payment, interest only.
Prepayment Penalty	3 months.
Line of Credit Amount	Line of credit amount is generally 5 times the amount of verifiable liquid funds.
Note:	Terms are subject to change. Final terms vary depending on the LTV, property and borrowing entity.

Qualifications

Listed below are the 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 620 or above.
- Must provide last 3 months of personal and business bank statements, including all pages for each month.
- Minimum net worth of \$150,000.
- Must have completed at least two projects in the last 12 months.
- 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: 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. We use “common sense” underwriting and look at the “whole picture”. We can be flexible and customize programs based on borrower profile and property.

PROGRAM STATE AVAILABILITY				
Alabama	Hawaii	Massachusetts	New York	Utah
Alaska	Idaho	Michigan	North Carolina	Vermont
Arizona	Illinois	Minnesota	North Dakota	Virginia
Arkansas	Indiana	Mississippi	Ohio	Washington
Colorado	Iowa	Missouri	Oklahoma	West Virginia
Connecticut	Kansas	Montana	Pennsylvania	Wisconsin
Delaware	Kentucky	Nebraska	Rhode Island	Wyoming
District of Columbia	Louisiana	New Hampshire	South Carolina	
Florida	Maine	New Jersey	Tennessee	
Georgia	Maryland	New Mexico	Texas	

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 get approved for this program.

Borrower Eligibility

For Limited Liability Companies and Corporations

- Most recent business tax return with all schedules
- Certificate of good standing
- Operating agreement/Corporate charter/Bylaws
- Articles of organization/Incorporation
- Certificate of foreign registration (if applicable)
- 3 months business bank statements, all pages and account number

Financial Information

For Each Borrower

- Personal financial statement (template available)
- Most recent personal tax return with all schedules
- 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 (template available)
- Copies of HUDs from 2-3 recent “flip” or “rent to hold” transactions
- 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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