



HARD MONEY WORLD

Let's solve your real estate capital needs

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Fix and Flip Loan

LOAN CRITERIA

Loan Size: \$75,000-\$5,000,000. RBI will consider loans with a total principal balance greater than \$5,000,000 on a case-by-case basis.

Loan Purpose:

Residential business purpose:

- Acquisition
- Refinance

Loan Strategy:

- Buy and hold, light and heavy rehab
- Buy and sell, light and heavy rehab

Property Taxes: Residential only.

Payments: Interest only payments with balloon at maturity. Non-dutch

Max LTC and ARV:

Borrower Funded Rehab:

- Maximum loan amount would be the lesser of 80% LTP (Loan to Purchase) or 70% ARV (After Repaired Value). Exceptions to go up to 82.5% LTP may apply. See table below.

Lender Funded Rehab:

- Maximum loan amount would be the lesser of 85% LTC (Loan to Cost) or 70% ARV (After Repaired Value). Exceptions to go up to 90% LTC may apply. See table below.

Loan advance rates are contingent on loan terms, such as cash out, loan strategy, subordination, FICO, subordinate debt and other characteristics.

Rates: Start at 9.99%

Term:1-18 months

Occupancy: Non-owner occupied only.

Lien Type: First position trust deeds and mortgages.

Estimated Fees:

- Origination fee from 1-2%.
- Underwriting fee: \$1500.
- Appraisal fee: Typically from \$500-\$850 (Depending on property size, location and time sensitivity).
- Feasibility fee: \$750- \$1000 (depending on loan amount)
- Draw fee: \$375 per draw
- Legal fee: Starting at \$750 (depending on Loan Amount).

Prepayment Penalty: None

Location: Nationwide except: AZ, CA, NV, UT, OR, ND, SD, MN, VT, VA, WA

MAX LEVERAGE

Lender Funded Rehabilitation Loans:

Experience	LTC	ARLTV	Minimum Renovation % Financed
Professional 8+ Borrower also needs 700+ FICO	90%	70%	90%
Experienced 3-7	85%	70%	90%
Limited 1-2	80%	70%	90%
First Timer 0	80%	65%	90%

Borrower Funded Rehabilitation Loans:

Experience	LTV	ARLTV
Professional 8+ Borrower also needs 700+ FICO	82.5%	70%
Experienced 3-7	80%	70%
Limited 1-2	75%	70%
First Timer 0	N/A	N/A

BORROWER/GUARANTOR CHARACTERISTICS

Borrower/Guarantor Credit Score: Minimum credit score of 620 for the borrower/guarantor is required.

Borrower Type: US entity or individual name required

Nationality: US Citizen, US Resident or Foreign National

Borrower/Guarantor: Borrower and General Contractor must have experience within the US with similar projects in order to qualify for this program. The borrower and GC must have completed at least 2 similar projects

DOCUMENTS

- ID or passport
- Credit application
- Last bank statement
- Property insurance (builder’s risk and GL)
- Flood insurance (if applicable)
- Purchase contract (if applicable)
- Entity documents (EIN, COGS, Articles, OA, etc.)
- Project budget (or scope of work)
- Borrowers track record
- Approved permits/ (if applicable)

- Approved plans (if applicable)
- General Contractor's Information (license, ID, insurances, workers comp, etc.) (if big project or borrower with lack of experience)

LIQUIDITY REQUIREMENT

Borrower Funded Rehab:

- **Purchase:** Down payment + Closing Costs + 6 months of reserve + Budget
- **Refi:** Closing Costs + 6 months of reserves + Budget
- **Cash Out:** 6 months of reserves + Budget

Lender Funded Rehab:

- **Purchase:** Down payment + Closing Costs + 6 months of reserve
- **Refi:** Closing Costs + 6 months of reserves
- **Cash Out:** 6 months of reserves

INSURANCE REQUIREMENTS

Title Insurance:

RBI requires all of the following to be provided:

- ALTA 2006 form policy.
- Minimum coverage of 100% of loan balance.
- Signed escrow instructions.
- Copies of all title exceptions to review, if requested.
- All loan files that contain a title commitment or preliminary title report issued by title agent, on behalf of a national title insurance company, must include a closing protection letter (agent authorization letter in NY) with ISAOA language; if file contains title insurance policy, a closing protection letter is not required.

Property, Liability, and Casualty Insurance:

- Property insurance coverage must be equal the lesser of the replacement cost or loan amount.
- HO insurance minimum coverage is 20% of appraised market value.
- Builder's risk with 100% of RCE

- Liability insurance coverage of \$1M (or depending on loan amount)
- Insurance issuer must meet the ratings criteria set forth in the Fannie Mae guidelines.
- Lender must be listed as mortgagee, loss payee, loss payable, or additional insured.
- Coverage must include fire and extended perils, and other hazards customary to the area.
- Flood insurance required for FEMA-designated special flood hazard areas. Loans greater than \$1M might need RCE for flood insurance.
- Earthquake coverage required in high-risk zones and/or as recommended in property condition report.
- Hail and wind coverage may be required