

Loan Checklist

ITEMS REQUESTED FOR LOAN CONSIDERATION

(listed in order of importance - LESS is MORE)

If you want to read the following off-line, [download this page in PDF format](#).

PHASE I: Initial sniff test:

Since 1994 we have closed commercial real estate transactions across the country in as little as 8 days – we have learned that **less is more**. We are far more likely to close a transaction with a borrower or broker that tells us a brief, compelling story about why we should make a loan on a property and gets us a few critical pieces of paper than with borrowers or brokers that bury us with 3 inches of paper or 30 megs of meaningless data. It ain't rocket science, it's just real estate: The best way to start the process is to send David Repka 6-8 bullet points on your deal. Tell us the "story" of the deal, the opportunity, the economics, the players involved, and the exit strategy. Our goal is to tell you YES or NO in our first e-mail / first phone call. If we can't get it done through our network of investors we can often refer you to someone that can.

PHASE II: Preliminary Underwriting - please share:

- Executive Summary & Loan Request ([click here for sample](#))
- Source & Use of Funds
- Development Budget
- Project Pro-forma
- Photos of the property or links to marketing website

PHASE III: Deeper dive with the goal of generating a term sheet - please share:

- Year-end 2021-2022-2023 financials w/ Year to date 2024 financials
- Trailing 12-month Income & Expense Snapshot (this is the best and quickest way for us to understand the cash flow trends)
- Current Rent Roll detailing unit number, tenant, square footage and monthly rent with lease start and end dates
- Please share documents in Excel file format if available

PHASE IV: Needed to fully underwrite the opportunity - please share:

- Detailed Property Description including location, address, age, number and size of units, general physical aspects of the property (pitched or flat roof, stucco over block or frame construction, etc.) ([click here for sample](#))
- Color photos (10 or more exterior and interior digital photos in jpg format)
- Detailed background on borrower(s) owning 20% or more including detailed personal financial statement, detailed schedule of real estate owned, 3 years of federal tax returns, resume/personal profile/CV/ownership track record, management experience and signed credit/background check authorization form
- Fully executed Purchase & Sale contract (for acquisition loan)
- Business / Marketing Plan detailing the competitive set of properties that compete with this asset

For owner occupied properties in addition to the above list we will need:

- Financial Statements on the business (year-end for three years) and Trailing 12
- Federal Tax returns on the business (three years)
- Loan Request Amount & Use of Funds (detail debt to be repaid and if it is an SBA loan)

For Hospitality projects we will also require:

- Smith Travel Research (STR) Report or Market Feasibility Study

PHASE V: Once we have a meeting of the minds on general business terms we will move to close and will require:

- Name, address, phone & fax of borrowers counsel
- Organizational Chart
- Name, address & Tax ID# of ownership entity
- Copies of leases (if applicable)
- Latest MAI Appraisal (if available)
- Environmental report (if available)
- Engineering Report (if available)
- ALTA Survey
- Title insurance policy
- Copies of all pertinent real estate tax and utility bills

