

REHAB LOAN PLANS

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Home rehab investors are individual entrepreneurs who find housing properties that need rehabilitation. Their sole purpose is to purchase the property, fix it up, and sell or refinance it. House rehabbing can be very lucrative if the properties are chosen wisely, the work is done right, and if this is all done in a timely fashion. Choosing the right financing is crucial.

Without the right financing, the rehabber's ability to act quickly, purchase the property, and be able to renovate it properly, will be severely limited. These loans were designed to address the very specific needs of the rehab investor. Each loan is for a term of one year, but may be paid off at any time. There are no seasoning issues or pre-payment penalties.

"Rehabber Friendly" Terms

- Loan will be 100% of the sale price and 100% of the repair funds, not to exceed 65% of the ARV (after repair value).
- Turn around time on the loan: Within (2) weeks.
- Maximum length of the loan: (12) months.
- No pre-payment penalties
- Discounted points for repeat business.
- Seller's concessions/assists may be used to finance the closing costs, as long as the loan does not exceed 65% ARV.
- If purchase and repairs costs are below 65% of ARV closing costs can be wrapped into the loan
- Interest only payments (no principal) until the property is sold or refinanced. There is no penalty for early loan pre-payment.
- Repair funds go into an escrow account: The escrowed repair funds are paid to the rehabber on a reimbursement basis. The rehabber pays for materials and labor and presents these receipts and/or lien waivers as required. Appointments for inspections in order to receive payments must be made at least (3) days in advance. Copies of the receipts and/or lien waivers must be provided at the time of the reimbursement.
- Rehabbers are not permitted to live in a mortgaged property. The property must be purchased for the sole purpose of renovating it and either selling it, or eventually refinancing it. This cannot be your primary place of residence.

Monthly Payment Plan

The following plans were designed to address the very specific needs of the rehab investor. Each loan is for a term of one year, but may be paid off at any time.

There are no seasoning issues or pre-payment penalties. The advantages to the rehab real estate investor are obvious. With our loan plans, you can purchase a property quickly and easily, with the minimum amount of money out of your pocket. This will allow flexibility and financial breathing room for you and your family while working on your properties! Please review the specific details and qualification criteria of each of our uniquely designed plans below:

- Minimum Middle Credit Score 620.
- Loan will be 100% of the sale price and 100% of the repair funds, not to exceed 65% of the ARV (after repair value).
- 2 Week Close
- 12 Month Term
- 7 points (after you have paid off your 3rd loan, Rehab Funding will reduce its points to 4.5 for all subsequent deals).
- Seller's concessions/assists may be used to finance the closing costs, as long as the loan does not exceed 65% ARV.
- Interest only payments (no principal) until the property is sold or refinanced.
- The interest rate is 1.325% per month (15.9% on an annual basis).
- There is never a penalty for early loan pre-payment.

****Please note that other closing costs such as, taxes, insurance, title fees, broker fees etc. are separate from our closing costs that are noted above.*

Repair Funds

Repair funds go into an escrow account at the time of closing. The escrowed repair funds are paid to the rehabber on a reimbursement basis. That is, upon request by the rehabber, our company will send a 203K inspector, who will then send a report indicating the work that has been completed since the last inspection. We will then reimburse the rehabber in accordance with the budgeted repair list presented by the rehabber at closing. Appointments for inspections in order to receive payments, must be made at least (3) days in advance.

Rehabbers are not permitted to live in a mortgaged property. The property must be purchased for the sole purpose of renovating it and either selling it, or eventually refinancing it. This cannot be your primary place of residence.

Half Payment Plan

- Credit score minimum: 660
- Loan will be 100% of the sale price and 100% of the repair funds, not to exceed 65% of the ARV (after repair value).
- 2 Week Close
- 12 Month Term
- 8 points (after you have paid off your 3rd loan, Rehab Funding will reduce its points to 4.5 for all subsequent deals).
- Borrower pays half of the interest only payments (no principal) and the other half is deferred to the end of the loan until the property is sold or refinanced.
- The interest rate is 1.575% per month (18.9% on an annual basis).
- There is never a penalty for early loan pre-payment.
- **Major benefit: Your cash flow!**

Six Month No-Pay Plan

How would you like to get an acquisition and repair loan for your investment property, and not have to make monthly payments for six months? How helpful would this be for your investment strategy and for your monthly cash flow? If you are qualified, Rehab Funding will arrange this for you!

- Credit score minimum: 700
- Loan will be 100% of the sale price and 100% of the repair funds, not to exceed 65% of the ARV (after repair value).
- 2 Week Close
- 12 Month Term
- 8 points (after you have paid off your 3rd loan, Rehab Funding will reduce its points to 4.5 for all subsequent deals).
- All closing costs can be rolled into the loan, as long as it does not exceed 65% ARV.
- No payments for the first 6 months of the loan term. From the 7th month on, borrower makes interest only payments until property is sold or refinanced. Deferred interest would be paid once loan is repaid.
- The interest rate is 1.575% per month (18.9% on an annual basis).
- There is never a penalty for early loan pre-payment.
- **Major benefit: Your cash flow!**

Non-Recourse Self Directed IRA Plan

If you are a real estate investor who has a Roth or Traditional Self Directed IRA/401K, you now have a terrific opportunity to increase the number of deals you can do, and profits that you make ? tax free or tax-deferred!

- Minimum Middle Credit Score 620.
- Loan will be 70% of the sale price and repair funds, assuming deal does not exceed 65% of the ARV (after repair value).
- 2 Week Close
- 12 Month Term
- 8 points (after you have paid off your 3rd loan, Rehab Funding will reduce its points to 4.5 for all subsequent deals).
- Custodian of the IRA pays the monthly interest only payments (no principal).
- The interest rate is 1.575% per month (18.9% on an annual basis).
- There is never a penalty for early loan pre-payment.
- **Major benefit: Earn Profits Tax Free or Tax-Deferred!**

Zero Up-Front Points Plan

Wow! Zero points upfront. It doesn't get any better than that! For those real estate investors out there with strong credit and a comfortable amount of reserves, this opportunity is for you.

- Credit score minimum: 700
- Points are deferred, not rolled into the loan, so you are not paying any extra interest on the back ended points!
- 10 points, deferred to the end of the loan allowing you to pay them out of your profits, not out of pocket at the closing.
- Option to choose from any of our rehab loan plans (Monthly Pay Plan, Half Pay Plan, or the Six Month No Pay Plan).