



# New Borrowers

Summit Capital Management



- Short term money to be used as cash to finance RE deals
- Summit's money is a combination of owners investments and private and institutional investor money
- Typical Terms are 3-9 months, can go 12+ months as needed
- Not a bank therefore we lend when they say no
- SCM is in first position, holds a note and gives borrower a mortgage

What is Hard / Private Money?



- Less Deposit Money Required per Deal: Us 5-10% per deal, Banks 25-30%
- Higher LTV's: Banks only go up to 65%, We will go to 75%+ for established borrowers
- Less Money of our pocket: take advantage of value adds and use them as equity in each deal
- Much cheaper than having 50% business partner
- Use Other People's Money, Keep Your Cash For Emergencies / Overages
- Doesn't tie up HELOC's, Ruin Family Relationships (using family / friends money isn't easy, we have done it)
- SCM lends on deals banks will not; occupied, boarded up, no utilities etc
- Quick closings 1-2 weeks vs 1-2 months
- Waive financing contingencies, buy properties as a cash buyer

## Why Use Hard / Private Money



- We are local investors just like you, reputation, experience, track record
- We know these Markets better than anyone else, getting you most capital for your deals
- We offer value add services, leads on deals, deal analysis, sub referrals, etc. at no cost
- We will not loan on a deal that we would not like to own
- We are local, can act fast, no third parties, you deal with us!
- We offer aggressive terms, and quick and easy approvals
- We do our own appraisals, and construction inspections, not waiting for 1+ weeks
- We save our borrowers time and money, so they can do more deals
- Pre-approval Letter so you can make offers as a cash buyer

Why Use Summit Vs Other Lenders?



- Purchase price \$100K
- Rehab \$40K
- After Fix up Value \$199K
- LTV 71%
- Estimated Closing costs \$7500 – rolled into deal not out of pocket
- Borrower Deposit \$14K – 10% on first deal, Typical borrower deposits range from 5-15%
- Loan Amount \$141, 625
- Rate Typical deals range from 12-13% interest and 2-3 points
- No prepayment after 90 days, can pay back sooner but charge for 90 days
- Profit \$43,880
- Cost of Money Approx. 7-8% of the loan amount

## Sample Deal with Summit





- Access for your buyers to new source of capital = more deals for you
- Want to get into the flip / hold business?, now it is simple
- More control over your deals: Offer funding and other value adds to your clients, be involved throughout entire process
- SCM preapproves your clients so you don't waste time
- Earn double commission on every client; on purchase, then on resale when property is fixed up

Benefits to RE Agents

