

 #78 U O h Frequently Asked Questions

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"Not So Hard Money"

- Q. What is the range available for a loan?  
A. Our Hard Money Program offers loans anywhere from \$100K - \$20 Million.
  
- Q. Is this program only for commercial lending?  
A. No. As we offer a wide range of loan amounts, even up to \$20 Million, our Hard Money Program also allows Residential Financing (Non-owner Occupied).
  
- Q. Does this program offer Owner Occupied Financing or Non-Owner Occupied Financing?  
A. Through our Hard Money Program, we specialize in Non-Owner Occupied Financing (\$2M - \$5M). However, Owner Occupied Financing is available in some states.
  
- Q. What is the possible LTV of your Hard Money Program?  
A. We offer Purchase Loans with anywhere from 50%-80% LTV.
  
- Q. Is your Hard Money Program offered Nationwide?  
A. Yes. We offer Nationwide Non-Owner Financing. We also offer Nationwide Commercial Financing.
  
- Q. Does this program offer Land Loans?  
A. Yes. Our Hard Money Program also offers Land Loans with LTV available to 25%.
  
- Q. What time-frame is available for a loan?  
A. Our program offers Flexible 1-7 Year Terms to better suit the Client's objectives.
  
- Q. Is my credit score going to be a factor in determining the outcome of my loan?  
A. No. We view your credit score to help in determining the interest rates and loan terms.
  
- Q. If my credit score is not a factor, then what is used to determine the outcome of my loan?  
A. Through our program, you can get your loan based on equity-only, with minimum income documentation.
  
- Q. How quickly can I receive funding?  
A. We can get you funded within days! As our Hard Money Program offers an array of great options, there is essentially NO RED TAPE associated with the loans. Close your loans in a time-frame that meets your needs, on your terms!

If you are ready to begin our Hard Money Application,



\*\*Terms and conditions may vary. All loan scenarios will be reviewed on a case-to-case basis.



## "Rehab Loan Program"

### Q. What Type of Properties do you lend on?

A. Criss-Cross has various relationships with private commercial lenders making loans to investors for the purchase and renovation of residential properties, including single and multi-family. Larger apartment buildings are also considered on a case-by-case basis. They do not lend on owner occupied properties. Our minimum loan size is \$50,000 and rehab typically may not exceed 100% of purchase price. There is no maximum loan size.

### Q. How do I know which program to choose?

A. When a client is approved they will be issued an approval letter disclosing all of the programs they qualify for. A few programs may require a down payment and a few may not. The client will then get to decide which program best fits their needs and they will get to select the program they wish to move forward with.

### Q. What are your rates and points? Do you have prepayment penalties?

A. Our rates and points are dependent on the project and the borrower's financial status. Annual rates can vary depending on which programs the client qualifies for; and rates can be anywhere between 9-15% annually, however money is typically lent for a maximum of 6 months with monthly interest only payments between .75% and 1.5% of the total loan amount. Points also can vary depending on which program(s) the client qualifies for, and the points typically range from 3 ½ % to 9% in total. Loans below \$25,000 will have a minimum fee of \$2,500.

To ensure that your loan remains current with our lending partners, and they can continue to advance rehab funds, interest for the first six months is funded from a prepaid interest reserve account. Criss-Cross' lending partners have NO Prepayment Penalties, as we do not believe in penalizing our borrowers for good performance.

### Q. How long typically does the approval process take?

A. Once an application is submitted in completion (complete application and documentation package), we can have an approval within 48 hours. This approval will disclose any and all programs the client qualifies for complete with rates, terms, points, down payment etc. The client will then have the opportunity to ask questions, address any concerns and come to a decision if CFG is a good solution for their funding needs.

### Q. How long does the funding process typically take?

A. Once the client has a property under contract and we have collected the full documentation package needed, we will be able to fund within 7-10 business days.

### Q. Do you have "Stated Income" programs?

A. Yes, we do have Stated Income programs, as well as full documentation programs. The approval the client is issued will disclose which programs are "stated" income and which programs are full documentation. There is a documentation checklist of all items that will be requested.

### Q. Do you require an appraisal or broker price opinion?

A. Yes, we do require an appraisal and/or a broker price opinion. This must be ordered in house prior to closing. Previous appraisals will not be accepted. The appraisal/BPO is an expense to the client.



**Q. What is the outline for a cash-out loan?**

A. If the property was just purchased using cash (no liens), then we can complete a cash out loan to the client for rehab needed. In this scenario we can only lend the client up to 60% of their purchase price. For example, if a client were to pay \$10,000 to purchase a property yesterday, we cannot turn around and lend that client \$50,000 for repairs needed. In some cases we may be able to provide 65% of the borrower's purchase price, plus additional rehab funds.

**Q. Do you look at Credit, or just the property?**

A. Yes, we do review your credit report, but we have programs for both good credit and not so good credit. For our standard programs, the minimum cutoff is 640. However, we also have an Investor Recovery Program for borrowers with credit below 640. It is best to fill out the Investor Assessment Form and start there.

**Q. Can I use partners to help fund the Reserve Requirements?**

A. Yes, partners are accepted by us provided they are true equity partners, and not junior lenders. Some investors, particularly in our Investor Recovery Program, can benefit from the use of financial partners as they rebuild their credit.

**Q. What is your Maximum Loan-to-Value?**

A. For borrowers with credit scores above 660, loans are for up to 100% of purchase and rehab, subject to: (i) prepaid interest for six months, and (ii) a maximum LTV of 70% of the After-Repaired-Value of the property (unless you are rehabbing outside of your state of residence or we believe you are not refinance(able), in which case the maximum LTV is 60% of ARV).

For borrowers who have credit scores below 660 because of some unforeseen circumstance, we do have an Investor Recovery Program that is not credit based. The Investor Recovery Program requires a larger general reserve requirement and prefunded interest for six months.

**Q. What are the fees to get Pre-qualified and do you charge for Proof of Funds Letters?**

A. Upon submitting your Investor Assessment Form there is a \$395 processing fee, which is fully refundable in the event you are not preliminarily approved for one of our lending programs. Once approved you will automatically have benefits such as unlimited proof of funds letters, access to our team for guidance as to our underwriting criteria, educational webinars, and much more.

**Q. What are the typical closing costs to underwrite and close a deal with Criss-Cross?**

A. Depending on the deal size, closing costs typically range between ½% to 1 ½%, and include third party costs such as appraisal, BPO and document preparation.

**Q. Can Criss-Cross finance properties in a "business" name?**

A. Yes. As a matter of fact, we require it. Owning investment property in a business entity (such as an LLC) protects you and makes sound business sense. If you do not already have a debt free business entity, you will need to form one in order to borrow from Criss-Cross.

**Q. What can you tell me about your support for Investors? How do I find out more about the Criss-Cross Club?**

A. Criss-Cross has been supporting real estate investors since 2001. Your success is our success! We launched the Criss-Cross Finance Club to help real estate entrepreneurs by providing fundamental business, real estate and financing principles in an easy to learn format. The Club's benefits include on-line videos, live webinars, investor software, website builders, a national wholesale listing service, and of course invaluable camaraderie among our investor community.

**Q. How do I get started?**

A. Complete the Investor Assessment Form included in your Investor Starter Package. This form will help us determine the financing solution best suited for you. Also make sure to tell us about your future financial goals. Our experienced team will get back to you in a matter of days.

*If you are ready to begin our Rehab Application, click below!*



*The information provided herein is for guideline purposes and may be subject to change. Refer to the Conditional Term Sheet for detailed terms.*