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Pacific Financial Group
Real Estate Loans, Investments, Insurance

Finance Newsletter

February 29, 2016

LOAN SPOTLIGHT



Summary: Borrower sought to refinance a maturing first loan with a short payoff time horizon, but was having a difficultly finding a lender willing to make the loan. The smaller bank that had made the original loan sold the note to a much larger bank not interested in making a new loan despite the borrower's perfect payment history, good income, credit and liquidity. Built in 1962, the subject property, a motel style, two-story 5,800 sq. ft. wood frame building located on a 10,019 sq. ft. lot, consists of five 2bd/1ba units, one 1bd/ba unit and five studios. It was a very well maintained building with rents at or near market. The challenge was that most lenders were passing on the refinance for one or more reasons: (1) location in a sparsely populated area; (2) local economy was mainly driven by tourism; (3) inconsistency in rental income from one year to the next; (4) small size of the loan (less than \$500K); and/or (5) the rapidly approaching loan maturity date. It appeared to be a 'hot potato' nobody wanted to touch. However, we worked with the borrower and the lender and got the lender to agree to a 60 day extension of time to give us a little more breathing room. Thereafter, we were able to successfully locate a small commercial bank that provided a new loan with terms acceptable to the borrower and closed within 45 days of loan submission.

Loan Amount: \$428,000

Property Type: 11-Unit Apartment

Location: El Dorado County, CA

Purpose: Refinance

Loan Program: 5-Year Fixed

Rate: High 4's

Term/Amortization: 30/30 Years

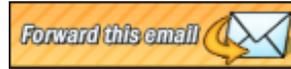
DSC: 1.25x

LTV: 60%

Prepay: Declining

If you or someone you know might need our services, please forward this email to them or contact us for a loan quote specific to a property at (415) 680-0121.

Ask us about our [low cost apartment loans](#) and our generous referral fees for 5+ multifamily and commercial real estate loans!



ABOUT OUR SERVICES

Pacific Financial Group is a full-service brokerage firm dedicated to providing clients with real estate loans, investment advice, financial planning and insurance services. Our success is the result of our client-focused commitment, professional integrity, industry and market knowledge and unique private banking approach to understanding the financial needs of our clients and delivering specifically tailored solutions. **[Visit our website to obtain additional information about the types of investment advice and insurance services we offer.](#)**

APARTMENT LOAN PROGRAMS

[Hot Money: We now offer low cost apartment loans from \\$1MM & up in California. No origination fees, no lender fees and closing costs are capped at \\$2K or less!](#)

We are pleased to provide access to a large selection of 5+ unit multi-family loan programs from which to choose so you are assured of finding one that is best suited to meet your particular investment objectives. Drawing from our diverse pool of capital sources, your loan program options are limitless. **[Visit our website to obtain additional information about available apartment loan programs and interest rates.](#)**

COMMERCIAL LOAN PROGRAMS

We understand the importance of finding the best available financing to maximize your return on investment and have access to a large selection of commercial loan programs for office, retail, single tenant, self storage, industrial, hospitality, mixed use and owner-occupied commercial buildings, so you are assured of finding one that is best suited to meet your particular investment objectives. Commercial loans are available from a diverse pool of capital sources which include local and regional banks, credit unions, life insurance companies, conduits, pension funds and private investors. **[Visit our website to obtain additional information about available commercial loan programs and interest rates.](#)**

RESIDENTIAL LOAN PROGRAMS

We have access to over 30 lenders that offer a variety of loan program options for owner-occupied residences, 2nd homes or 1-4 investment properties. Why limit yourself and deal with one lender when you can have access to a diverse pool of lenders with much more loan program options from which to choose? Below are some of the loan program features currently offered:

- Loans to single member LLC's and revocable trusts
- Stated income and interest only loans
- Debt ratios up to 50%
- Loan amounts up to \$3,000,000
- 100% gift toward a purchase down payment
- No monthly M.I. options available
- No income verification for investor properties / unlimited # of properties financed
- Low down payment loan programs for first-time home buyers (conventional & jumbo)
- Delayed purchase financing
- Unlimited cash out

Call us today to discuss your specific loan needs.

Samuel A. Shummon, J.D.

Principal & Managing Broker

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STAY CONNECTED

