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Pacific Financial Group
Real Estate Loans, Investments, Insurance

Finance Newsletter
September 30, 2016

LOAN SPOTLIGHT



Summary: Borrower sought a rate and term refinance of a two tenant, owner-occupied medical office located in San Francisco. Subject property was purchased 3 years ago for \$1.4MM and underwent an extensive interior remodel at a cost of just under \$1 million to house the two medical practices, both of which were leased at market rent, including the owner's larger space. The purpose of the refinance was to lock in a longer term fixed rate at a lower interest rate and increased amortization, so a greater portion of the principal could be paid down annually. We found a lender willing to offer a lower rate (-10 bps) and longer amortization (+5 years) that met with the borrower's approval. The loan process was pretty straight forward except for a list minute hiccup caused by the borrower's business partner, also a doctor, who was unwilling to sign the lender's subordination agreement unless it contained written assurances that nothing in the subordination agreement or deed of trust resulted in a lien or interest against Lessee's personal property, goodwill or other related assets - all of which were reasonable concerns. Fortunately, and after many weeks of handwringing and attorney communications, both sides finally came to an agreement and the deal funded. The loan was originally approved and ready to fund in less than 50 days, but the subsequent negotiations involving the lender's subordination agreement pushed the process out another 3 weeks. Needless to say, all parties were relieved to get this one done!

Loan Amount: \$1,720,000

Property Type: Medical Office Building

Location: San Francisco County

Purpose: Rate/Term Refinance

Loan Program: 5 Year Fixed

Rate: 3.75%

Term/Amortization: 10 years / 25 years

LTV: 60%

Prepay: Declining (w/ 20% principal pay down per annum)

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 offer low cost apartment loans from \\$500K & up in California. No origination fees, no lender fees and capped closing costs!](#)

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

[Hot Money: Ask use about CRE loans for properties occupied by marijuana dispensaries or cultivators from \\$1MM & up in California. Fixed rate loans with interest rates starting in the mid 6's with 25-30 year amortizations.](#)

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

