



BE POLITE

P R O P E R T I E S

IT COSTS NOTHING TO BE POLITE

LET YOUR MONEY WORK FOR YOU

REAL ESTATE INVESTMENT OPTIONS WITHIN
YOUR REACH

Who We Are

Be Polite Properties is a professional firm that offers a full range of real estate services; including buying, renovation and sales. Our headquarters is in Alamance County NC, we have offices in Boston MA, and we are active across the entire United States. Our primary real estate strategy is to find undervalued properties, buy them at highly discounted prices, renovate and then resell them in the retail market. Be Polite Properties was founded in November 2016 by Dedric and Krystal Polite with the aim of giving a new lease of life to areas with downturned real estate markets. From the outset, Be Polite Properties has internalized an ardent mission to be a positive force in meeting the real estate needs of her customers and the neighborhoods where we are present. By combining our commitment to that vision with the practical insights and market strategies from numerous coaches and mentors, we are consistently meeting our objectives in every deal we undertake.

Our Motto

It cost nothing to be Polite.

Our Mission

To provide top quality professional services and support to real estate owners and investors in the effort to help our communities become the most sought-after residential areas.

Our Values

Commitment

By being solution-driven and providing top-notch service, we are committed to always finding ways to meet our clients needs.

Ownership

We hold ourselves accountable to the highest standards by constantly raising the bar on past performance.

Integrity

We endeavor to keep our promises; always doing what is right for the client, our team and our business.

Charity

Community is a central pillar of our philosophy which we demonstrate by our passion to help those in need and raise them to become positive influences on society.

The Story Of Be Polite Properties

Dedric and Krystal met in October of 2017, while Dedric was working for the Pharmaceutical Company, Novartis, and Krystal worked at a large medical devices company called Boston Scientific. After going on their first date (business meeting) they sensed what was on the horizons for both of them.

Who We Are

Subsequently, Dedric and Krystal began to talk about entrepreneurship, their interest in starting a real estate business and traveling the world. But this did not materialize until after years of following their different career paths, Dedric and Krystal realized they had to take some bold steps if they were ever going to see their dreams materialize.

In June 2018, Krystal fired her boss and went into the business full-time; that week alone, the company secured four contracts. But this was the result of considerable amounts of time and money spent trying to understand the real estate investment business. Shortly afterwards, the founders decided they needed to scale the business and from that decision Polite Property Investments was born.

The new company launched with the stated vision of working with landlords, communities and property-buyers to improve neighborhoods. By taking run-down undervalued properties and restoring them to above market values they would improve the quality of housing for local residents and overall ambience of American communities.

Be Polite Properties' philosophy embodies the positive values of

- Knowledge and professionalism
- Integrity and ethical conduct
- Personalized care and service
- Efficiency and up-to-date information

Our Company's Credentials

Founders' Qualification and Credentials:

Dedric Polite:

Krystal Polite:

Our Knowledge, Skill and Experience

Because we recognize the increasing complexity of the American real estate market and know that it is more than just your money at risk in every real estate investment, we have taken the time to develop a repertoire of knowledge and skills to ensure that we get it right, the first time, with every deal. To demonstrate our commitment to providing the highest level of service to those we serve, we continually educate ourselves on the changing dynamics of our industry by being part of the top Mastermind groups and Elite conferences in the country. We are connected with some of the top coaches and mentors in our industry.

With these we are able to avoid costly investment mistakes, discover the most favorable markets, and find deals within those markets that allow us make a profit with minimum hassle. Furthermore, our knowledge of the practical aspects of housing repair and renovation enable us to achieve the best results at the most competitive prices. The deals that Be Polite Properties has initiated and successfully concluded bear testimony to the depth of our knowledge and the effectiveness of our methods.

Our Business Model

Primary Investment Strategy

We specialize in buying properties that are distressed (homes that are under threat of foreclosure, being sold by a lender or in a dilapidated state) at considerably lower prices than their actual market value (up to 30 - 50 % discounted). We then renovate these houses and sell them at a marked up price in the retail real estate market.

Due to the depth of our expertise and level of market intelligence we are able to consistently offer value to our customers using this strategy. The systems we employ, the knowledge and skills we have acquired, and the extensive reach of our network have enabled us to build this strategy into a time-tested business model.

Additionally, we maintain a wide set of connections consisting of both investors and trainers. These provide valuable insights and ongoing support that helps us keep abreast of developments in the industry and important changes within the economy. That is why we have managed to steer clear of the landmines and financial pitfalls that the real estate investment landscape is fraught with. By standing on the shoulders of those who are better than we are, we get above-average results.

Sound Due Diligence Practices

At the core of our systems is the process that we employ for qualifying the properties that we invest in. Our system is objective, systematic, disciplined and empirical. Every property is rigorously evaluated using a set of predetermined criteria which are constantly updated to reflect the changing realities. Among others, some of the factors that we consider during due diligences are:

- An analysis of the economic characteristics of the area conducted by an independent certified appraiser. The goal of this is to unearth important city planning information which affects the property.
- Area demographics highlighting social problems, growth potentials and salability of property.
- An overview of available physical and social infrastructure, like transportation and schools
- Physical condition of the property

The Be Polite Advantage

One of our company's biggest advantages is SPEED. We are able to meet sellers' needs to close deals as soon as possible by being able to pay cash on the spot. This ability to act quickly and decisively gives us unrivalled access to the best deals and is one of the reasons we are able to buy properties at such extraordinary discounts. By using a system of financing that depends on funding from private money lenders, we avoid the drawn out process of getting approval for bank loans and can act with much more freedom.

Our Business Model

Additionally, Be Polite Properties has a team of first-rate professionals who bring a wide range of competencies in real estate deal-structuring techniques to the table. And beyond the strategy of buying the best homes at the lowest prices, we have also developed a superior method for selling our properties; whether by wholesale, whole-tail or as soon as we have completed renovations. Unlike other real estate companies, we employ the most current lead generation methods to get the word out on our properties and get as many eyeballs on them as possible. That is why our properties take weeks rather than months to sell. In many cases we are able to find buyers through our own direct efforts, which boosts the sales price.

Again Be Polite Properties has refined the process of property renovation and dispositions into an exact science. We use several teams of well-qualified constructions crews who have been screened for their professionalism and business ethics. And also because of our long-standing relationship with our contractors, we can pay bulk prices on all materials that we use. At Be Polite Properties, we believe we can do good while doing business. This is why our deals are designed to be a win-win for both buyer and seller. Our deals are structured for the benefit of the homeowners that we buy from, in that we buy within the sellers timeframe (which can be as short as 10-14 days). This gives them a measure of control over what happens to their properties. And since we buy properties "as-is" sellers are relieved off the burden of having to improve their homes before attempting to sell them.

Finally, homeowners who choose to sell to us do not have to deal with additional costs like fees, commissions, etc. These are the things that make dealing with us a win-win.

The Be Polite Properties Way VS. Traditional Buyers

We provide homeowners who want to sell their properties with a viable alternative to the traditional route of selling a property. Homeowners usually have very limited options when trying to dispose of their properties. The available options leave them without any control over the process. They also take too much time and cost a lot more than the sellers are willing to pay. Here are a few of the differences between selling to us and selling to a traditional buyer. Be Polite Creative Financing Options: Subject To, Seller Financing, Lease Option, Traditional Buyer - Bank Financing

Be Polite Properties	Traditional Buyer
Immediate cash offer	No Cash offer whatsoever
No commission payment	Hefty commissions
Quick closure - as short as 10-14 days	Protracted process that drags for months
No fees paid by seller	Legal fees, inspection fees, etc
Avoid paying closing cost	Mandatory closing costs
Sell house "as is"	Seller often needs to improve the home
No lending restrictions since we do not use banks	Lending restrictions that delay closing

The traditional method actually penalizes homeowners for selling their homes by forcing them to pay when they sell. Instead of taking money out of sellers' pockets, we put money in their hands. And this

Our Business Model

can be thousands of dollars more than what they would have left if they had followed the familiar route of selling to a traditional buyer. In addition to helping sellers earn more, we also offer the unquantifiable advantage of a quick and hassle-free transaction; sellers are guaranteed peace of mind. To further drive the point home, here is a more detailed breakdown of how we compare to traditional buyers.

	Traditional Buyer	Be Polite Properties
Payment method	Bank Financing	CASH
Cost of repairs deducted	Minimum of 1-8% of property Value	Nil (we buy "as-is")
Length of time to close deal	Over 45 Days	10-14 Days
Commissions charged	Minimum of 6% of Sale Price	None
Closing costs to be paid by seller	1-6% of selling Price	None
Appraisal needed	Mandatory	None
Period property spends on market	Average of six months (150 days)	Zero Days

Our Investment Qualification Process

The goals and objectives of Be Polite Properties can be summed up as:

- To improve the quality of housing available to residents of urban and suburban communities by buying distressed homes in localities with a buoyant demand for real estate
- Improve the value of those properties by renovating and upgrading them
- Enhance neighborhoods by creating beautiful homes and thereby maintaining property prices at a stable level
- And finally, earn above-market returns for our investors

We have built our track record of success around being able to answer the most important questions which determine the viability of a property before we invest in it. We do not depend on guesswork; because success in the real estate investment business requires insight more than instinct. And as such, we have invested the time and effort to gain the necessary knowledge and skill needed to find good property investments. Moreover, after years of being in the business, we have honed our instincts to sense a good deal from the outset.

And as good businesspeople, we always pay attention to the numbers; we know that the numbers never lie. This is why we will always walk away, regardless of how attractive a deal appears, if the numbers do not add up to what we expect. Above our goal of making money for our customers and improving the neighborhoods we do business in, we make protecting investors' funds our top priority.

Our Business Model

Our Method For Buying Good Properties At Far Below Market Value

The standard method used by most realtors is to sell or buy properties via Multiple Listing Services for real estate (MLS properties). But our method is designed to avoid MLS as much as possible. This is because once a property is taken to a realtor for MLS listing, its price begins to rise due to the different layers of charges, fees and commissions that have to be considered. Instead of the MLS service, we have built marketing processes that allow us find properties before they ever get taken to a realtor for listing on MLS.

Some of the aspects of our strategy for finding properties below market value are listed below.

Internet-Based Strategies	Direct Mail strategies	Others
Deal Machine	Driving For Dollars	Strategically placed Bandit signs
Text Marketing	Pre-Foreclosures	Networking Events
Seller Landing/Squeeze Pages	Finding properties with substantial back taxes	Systematic use of door hangers
The Be Polite Properties Websites	Free n Clear: homes without encumbrances	Networking with wholesalers
Bandit Signs	Strategically placed Bandit signs	Eye-catching house banners
RE Rail	Filtered List Pull	Our network of bird dogs
Cold Calling	Virtual Market Filtered List Pull	Box truck advertising
Court House Runner	Probate Leads	Zbuyer marketing software

Our Methods For Selling Fast

The second leg of our strategy is to make sure we are able to get the renovated property off our hands as soon as possible. Selling fast is just as important as buying cheaper, if we want to stay cost effective and maximize profits for our investors. So how do we manage to get our properties sold in record times? The answer is simple; we have a huge list of ready buyers who are just waiting for the right property to come along. There are lots of savvy property investors who know that opportunities to make a good deal abound in the real estate market. The problem is that most of them do not know where or how to find these deals; they lack the network/skills or they do not have the time or they do not have the required know-how to take a rundown home and transform it into an attractive property. This is where Be Polite Properties steps in; we become agents to help these people achieve their goals.

Our Business Model

We do this by:

- Putting our vast investment identification and qualification processes at their disposal, in order to find a property that best matches their requirements
- Employing our time-tested processes for taking overlooked properties and converting them into priced real estate in record time and at minimal cost
- And then offering those properties to our waiting list of buyers.

Via this process, we are able to constantly find great buying opportunities for different classes of buyers, including; retailers, landlords and rehabbers.

Private Lending

Private Money Lending; What Is It?

Private money lending is a non-institutional form of lending which advances short-term loans to businesses or individual for investment in a property. This loan is usually issued to real estate businesses that need quick funding to fix-and-flip properties. After the realtor receives the loan, they use it to buy the property, renovate it and then sell it off at an appreciated price. Once the property is sold, the lender gets back their money along with some profit.

The Private Lender can be anyone; a business or an individual. And the private loan is secured by the property that the real estate company is going to invest the money in; this usually takes the form of a first or second mortgage in the name of the investor. When Be Polite Properties finds an undervalued home that it has qualified as a viable investment, we offer it to our list of prequalified private lenders. They have the opportunity to finance the purchase and renovation, in exchange for a tidy profit when the property is sold.

Putting their money to this use affords lenders much better yields than they could get through other kinds of investment. It offers over 4-5 times what they would get from bank's Certificates of Deposit (CD) or the investment routes that are usually recommended to people. Essentially, private lending gives ordinary individuals the power to do exactly what the bank does with money that people give to them. Rather than leave money lying idle and earning interest at rates that are behind or just a little ahead of inflation, private lending offers a better way to earn far above market returns on your money.

The Process of Private Lending

Private lending is a fairly straightforward process. Be Polite Properties does all of the heavy lifting that is involved in the process. Here is a rundown of what it takes; this is a breakdown of how private lending works with Be Polite Properties

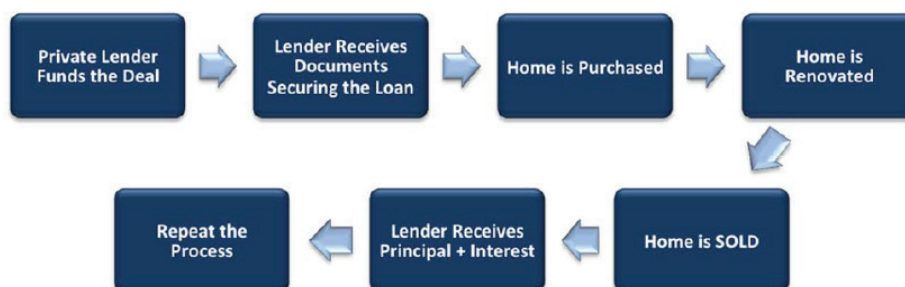
- Be Polite Properties identifies a distressed property that is well below market price and which does not require a lot of money and extensive work to put it back in shape.
- We carry out thorough due diligence to ensure that there are no hidden issues with the property
- We contact our potential lender and allow them to assess the property independently
- Once we get the go-ahead from the lender, we initiate the buying process; lender transfers the cash to us and we purchase the property
- Lender receives a mortgage on the home at closing with other vital documents
- Renovation commences and typically lasts for 3-6 months
- We list and sell the now-renovated property; usually in 3-15 days
- Lender gets back their principal at closing, along with 10% interest payment.

With this simple process, which often takes less than six months, lenders can keep turning their money over and make considerable profits in the process, risk free. This arrangement is mutually beneficial for all parties involved; the original property owner, the lender and Be Polite Properties.

Private Lending

A Pictorial Overview of The Private Lending Process

OVERVIEW OF THE PRIVATE LENDING PROCESS



Picture of A Classic Investment

With a typical investment through private lending, this is what you can expect; these figures are based on a six-month hold period (including time for renovating and selling property) with a 10% return for the lender.

Item	Amount
Purchase Price	\$95,000
Renovation Cost	\$68,000
Total Invested Amount (6 months)	\$163,000
Sales Price	\$250,000
Lender's Potential ROI	\$8,150

Private Lending

Benefits You Can Derive From Private Lending

As a private money lender, you will be opening doors to an almost infinite number of opportunities to safely and quickly grow your capital. Investing your money as a private lender for the purpose of real estate projects offers both security and higher returns.

Every loan is secured by a real estate deed of trust and offers you the kind of security that is not available with other investment vehicles. When you give us your money, we will give you a promissory note and also deposit documents for the real estate interest with a third-party trustee that we both agree on. This way, you are assured of the safety of your investments, since you can always take full control of the property in the event of default.

Secondly, the return on any of our property investments is, at least, four to five times what bank certificates of deposit (CD) currently pay. And furthermore, although what you earn on a property varies depending on the total invested amount and the eventual sales price, we always go one step further to keep investors happy. We will pay interest rates that are a little higher for properties where the ROI may be a below what investors expect; this is usually in cases where the investment amounts are small.

Every aspect of our buying, renovating and selling process is designed to continuously add value to a property and make more money for our stakeholders. At the point of purchasing a home, equity is instantly created because we purchase at 30-40% below market price. And since, with each transaction, we cut out the costs associated with middlemen, mortgage, banks loans, etc, we save even more money. The only unavoidable costs are legal fees and these are even lower than average because our lawyers do not have so many documents to review on any of our properties.

You can give us your money and go to sleep with both eyes closed. And by the time we are done rehabilitating the property, we will be offering buyers a fully renovated home at less than market rates. In summary, putting your money into private lending beats alternative options hands down and everyone involved always wins. You get the chance to profitably invest in real estate while bypassing all the hassles that are associated with buying and flipping properties.

Recap of What Makes Private Lending So Great

Just to reiterate what makes the private lending option compelling, here is a brief overview of the advantages:

- Low-risk opportunity to earn passive income in a very short span of time
- Never have to dirty your hands fixing broken toilets
- Or deal with pesky contractors and manual laborers
- No need to manage tenants
- The borrower bears most of the risk, in the event that the deal goes south
- Borrower does all the heavy lifting; finding collateral, time and labor
- If a property goes to foreclosure, the lender earns even more money
- Profits on property can be tax-free
- There is no cap on what a lender can earn

Private Lending

Real Estate Private Lending VS Money in The Bank

Money Sitting in the Bank	Real Estate Private Lending
\$100,000 X 1% interest	\$100,000 X 10% interest
12 month term to yield \$1,000 ROI	12 month term to yield \$10,000 ROI

Money invested through private lending offers 10x the return a bank will give you.

Real Estate Private Lending VS Money Invested In The Stock Market

Stock Market	Real estate Private Lending
Unsecured	Secured by a real estate Deed of Trust
Uninsured	Collateral is completely insured
Investment is bought at market price	Collateral is priced below market price
Returns are unknown and uncertain	Returns are fixed with predetermined term
Intangible asset	Assets are tangible

Why We Prefer Private Money At Be Polite Properties

Using funds obtained from private lender sources adds speed and efficiency to our transactions, which would be difficult to get otherwise.

Additionally, the sellers we buy from usually need to sell their homes very fast, often within two weeks or less. As such, they cannot afford the protracted process of waiting for a bank to close on a loan. The average approval period for loans is 30-45 days and in that time many of these homes would have fallen out of contract. Having access to cash buyers not only favors the sellers, it also allows us to buy at lower prices and minimize our risks. Another big part of being able to close deals with private funds is that the offer of immediate cash gives sellers an additional incentive to deal with us versus other buyers. They usually recognize the advantage of dealing with us after they factor in the costs and risks of going the traditional route. Sellers know that even when they manage to find a buyer through the traditional property-selling routes, new lending guidelines make it harder to complete a deal. Additionally, they are never sure of how much they are actually going to come away with after the different and varying number of charges and fees that they will be required to pay.

One more reason why we prefer private lending is that strict investor guidelines place a cap on the number of investment properties that one company can buy.

Private Lending

Private Lender Protection

There is a reason that banks like to invest money in mortgage; they offer fixed returns that is almost risk-free on a long term basis. Banks earn through the monthly payments or recover their investment by taking over the property, in case of default. Either way, the bank will not lose its money. This is the exact opportunity private lending offers to investors; putting retirement funds or other investment capital into private lending places you in the same position as the bank.

And we employ a rigorous and transparent process that ensures not just the profitability of the property you are investing in, but also the security of your funds. This is a two-pronged approach consisting of sound business decisions based on watertight property evaluation processes, and application of established legal procedures that will ensure that your position is secured. Some of the legal documents that you should expect as part of the process are:

- **Promissory Note:** A note payable that serves as collateral for your investment capital
- **Deed of Trust:** A document that we will deposit with a neutral third-party (the county clerk) and which serves as a public testimonial to secure your investment against the property which is used as collateral.
- **Hazard Insurance Policy:** In case of fire or some natural disaster, the lender is still protected, because they are listed at the "Mortgagee" on the policy. As the mortgagee, you will be notified if this policy is not kept current.

How Private Lenders Can Fund Deals

Cash

This is the easiest and most straightforward method for funding deals. Cash in bank accounts is easily accessible and transfers can be completed within minutes. For wire transfers and cashier's checks, the fees are usually inconsequential.

Home Equity Line of Credit

Using your current home as collateral to get a loan is great way to get the funds for private lending. There is almost no risk involved in this method, since the private loan is also secured by another property. Instead of allowing the leverage on their home to go unused, lenders can employ their home as a vehicle for creating significant wealth.

Lines of Credit: Personal or Business

A line of credit is a great way to obtain money for use as capital for private lending. Since a line of credit is always available and you only pay interest on the amount you draw, it is a source of capital that you can keep rolling over for the foreseeable future.

Self-Directed IRA Accounts

Unlike your regular IRA which confines your investment options to traditional instruments like, stocks, bonds and mutual funds, a self-directed IRA allows you a wider range of investing options. You can channel part of that money into real estate.

Liquidated Securities & Investments

If you have money tied up in investments that are not performing up to expectations, such as stock, you can liquidate these investments and reinvest the funds in private lending deals. Returns from private lending offer far better returns than stocks.

Investing With a Self-Directed IRA Account



How To Invest With Your Self-Directed IRA Account

A lot of people wrongly assume that IRA accounts can only be used in traditional investments, like stocks and mutual funds. However, this is a huge misconception, since you can obtain a private mortgage loan using your IRA. But if you have a self-directed IRA, there is even much more you can do with your retirement funds.

This is because unlike the regular IRA which you cannot employ towards investments like real estate, you are allowed to do this with a Self-Directed IRA. Actually, a Self-Directed IRA offers such a wide range of investment options that if you are not investing through it, you could be overlooking opportunities to add depth to your investment portfolio.

As an instrument for investment in real estate, Self-Directed IRAs offer some powerful options. And if you go the further step of adding a Roth IRA, you have the additional advantage of being able to grow your money faster by earning tax-free returns or deferring tax payment. However, in order to use a Self-Directed IRA to fund private loans, you do need to bring on-board a third-party custodian.

Most custodians are usually brokerage firms and they are often distinct in the types of investments and transactions they are willing to handle. But once you have found a custodian who agrees to the kind of deal you have in mind, all that is left is to send them a transfer form and leave the rest to them. Be Polite Properties maintains a regularly updated list of trusted custodians in every part of the USA. If you are interested in investing via a Self-Directed IRA, we will be happy to recommend a custodian who will help you set up your account.

Terms & Conditions For This Investment Offer



Minimum Investment Amount

The minimum investment amount we accept from our private lenders is \$20,000. For new investors, however, we may make an exception by accepting a lower investment amount. This is to allow them minimize their risk until they have built enough confidence in us.

Mortgage Terms

Most of our loans have an 8-10 month note, depending on the size of the investment. For projects involving a tear-down & rebuild, we may have to wait for approvals and these can take a little time. However, you will be furnished with all details from the onset and you will also be given an expected timeframe for when to expect a return on your investment. Please bear in mind, that each loan is tied exclusively to one property; funds are not pooled.

Schedule of Payments

Typically, for short-term notes, you can expect one lump-sum payment at closing. On longer notes, payments are made on monthly basis.

1st or 2nd Lien Position

The investor holds the priority position on the property; they have the 1st lien. This means that in the event of liquidation, the investor will get paid first.

What Is The Next Step?

How To Get Started With Us

The first step is to have a sit-down with us, where we can have a face-to-face chat on all the details. This will not only let you acquaint yourself with our company, but it also presents us with an opportunity to fully understand your goals.

An in-person meeting is where we can talk about:

- What your investment goals and objectives are
- The timeframe that you have in mind (long-term or short-term)
- And how much you would like to start with.

It is also a chance to show you any home which fit your stated investment criteria or begin to look for one.

If you have concluded that private lending for real estate investments is the path you want to follow, we would be most glad to hear from you. Please contact us via:

Email: media@politeproperties.com

Phone Number: 336-347-1732

Or fill out our form online at www.PoliteProperties.com

Or Just Refer Somebody To Us

If you think that what we are offering is a valuable service and a viable opportunity for someone to earn legitimate income, we would appreciate your telling someone else about us.

Frequently Asked Questions

What does Private Lending Mean?

Private lending is when we use money loaned to us by private individuals to finance the purchase and rehabilitation of a home that we have identified as a viable investment. The private individuals who loan us this money can earn 4-5 times what they make from bank CDs and other similar investments.

How Will You Use The Money?

The funds received through private lending are used to pay for the property and carry out necessary renovations. Other costs, like carrying costs, cost of reselling and contingencies will also be covered by the money.

Why Not Just Take a Bank Loan?

Closing a bank loan takes time, 30-45 days, and the properties that we buy usually need to be closed within 10-14 days or they will fall out of contract. Using private lending offers a faster and more efficient way to close deals. Additionally, paying cash for properties gives us additional leverage to negotiate lower purchase prices and further reduce our risk.

The last reason we prefer private lending is that the bank lending guidelines constantly change, and new guidelines often make borrowing difficult and even limit the number of properties that one company can invest in.

How is Your Company Able To Pay Such High Returns?

Due to our being able to buy homes at prices that are 20-30% below market value, we create thousands of dollars worth of equity the moment we close a deal. This leaves with us a lot of room to make profit when we eventually sell. This is in addition to cutting out the various costs that would have gone to middlemen, commission, mortgage fees, bank fees, etc.

Is Your Company Actually Helping These Sellers?

We are absolutely helping them because we not only save them the losses they would incur if their home fell out of contract; we also relieve them of the additional cost of renovating their homes in order to find a buyer. Additionally, we save them the costs they would have incurred in fees, charges, commissions, as well as time.

What Happens If Property Prices Fall and The Market Gets Worse?

We insure against this by investing only in properties that we can completely overhaul and sell in a timeframe of 4-5 months. We buy fast and sell fast. This is usually enough protection against changes in the market, since real estate prices do not change dramatically; usually it takes months. Furthermore, we buy in areas where there is an established demand for homes.

What is The Standard Interest Rate That You Pay To Private Lenders?

Our rate of interest is usually 4-5 times whatever bank certificates of deposits (CD) are paying. The typical lender will receive 10%, but this can vary very slightly, depending on how much was paid for the property and the cost of rehabilitating it. Lower purchase prices often attract higher rates of interest.

Frequently Asked Questions

How Long Will You Keep My Money?

Most loans are set up on a 6-12 month note but this can also vary by project. Projects involving extensive works will often take more time, due to having to wait for county approvals. For investments which take longer than the usual time, lenders will be fully informed upfront.

What happens If I Am On A Short-term Note And You Sell The Home After Only One Month?

It happens occasionally that we find a buyer for the home almost immediately. When this occurs, we can either pay you a minimum of three months interest or move your note to another property, depending on what you choose. Most lenders opt for the latter.

When Do I get Paid?

We make a large lump-sum payment on closing of short-term notes. This is usually convenient for lenders who invested from their retirement accounts. For longer-term notes, payments are monthly, similar to a mortgage.

Do You Guarantee Investments?

Since there are no government-backed guarantees on privately held real estate notes, we cannot offer guarantees. However, this does not mean that the investment is unsecured, since you can legally take over the home in the event that we default on the terms of the agreement.

Is It Legal To Use The IRA For This Kind of Investment?

Yes, it is; the guidelines allow you to invest in real estate if you have a self-directed IRA. However, you need a custodian to do this. And we highly recommend that you find one.

Who Is Responsible For Insuring The Home?

We are. We take responsibility for funding both title search and title policy.

What Kind of Policy Should I Expect?

That depends on the property, but for renovations we usually purchase a builder's risk policy along with other kind of policies.

How Much will lending to you cost me?

Nothing...it will cost you nothing. And that is because we pay all fees/charges (fees for closing agent, notaries, document preparation, overnight mail, bank wire, etc) and put 100% of your investment to work for you.

Will You Pool My Money With Other Investors?

Each loan is exclusively arranged for a specific property. We do not pool funds.

In Event That You Default on The Loan, What happens?

Although highly unlikely, if for some reason, we are unable to fulfill the terms of our agreement with you, we will simply hand the property over to you. If at any time, you feel that the investment is not proceeding as expected, it would be wise to engage an attorney. An attorney will give you advice on the best course of action to pursue.