

Title:

Bridging the Gap

Word Count:

356

Summary:

One of the primary advantages of private money is that it allows for creative problem solving in which one can make a private money transaction work, on any given project, even when the LTV

Keywords:

Bridge Loans, private money, hard money, loans, mortgages, construction, lending

Article Body:

We are able to base LTV on the true value of a property, as opposed to purchase price; frequently this makes a significant difference.

We are able to base LTV on the projected value of a property when rehab or construction is involved. We will allow a seller carry back in second position when a buyer is able to negotiate this type of loan but allow CLTV to exceed 125% under certain circumstances.) We will allow a borrower to pledge assets for a shortfall in down payment money or earned equity. Besides these options, there is one additional option: LTV ratio is running too high: My father has often said that the difference between being able to pay a fee. And there was a time when that was too often the case.

Well, we at California Private Money Loan have made a conscious policy decision to not let that happen. If tomorrow is better than no dollars today, we have decided to carry some or all of our fee (as long as the otherwise good loan fit our LTV criteria.

This is no small thing, as our fee generally runs 4% of the gross loan amount, and our original fee was from 1-5% for their part in the loan process; so with combined fees ranging from 5-10% (I never thought it was that and flexible), and assuming broker cooperation, we are able to stretch 75% LTV to as high as 80%. The difference between doing a loan and frankly the opposite of that.

--Jeff Chaney - VP

California Private Money Loan

<http://www.californiaprivatemoneyloan.com>

dba of

<http://www.rocklandcommercial.com>

This is a demo version of txt2pdf v.10.1

Developed by SANFACE Software <http://www.sanface.com/>

Available at <http://www.sanface.com/txt2pdf.html>