About Us

We are a consortium of Extended Office Private Family Investors, that lend on Commercial properties at Par to brokers/finders that fit our criteria; please review our rate/program attached.

 We offer private branding, and table lending when appropriate for Funding; Funding  is normally through a family closely held LLC. Most states and property types are covered. Targeting ground up construction (normally 4mm to 18mm loans), also Targeting $3,000,000 and Up refinance, non-recourse,  long term/low rate private family money, as long as 10 years with a  rollover option.  If you have a potential submission, we would be glad to offer a rate/term at Par if it is within our guidelines, subject to underwriting/appraisal, and answer any questions you may have.

 We do not charge for preliminary due diligence or an initial site visit, However, we do require a commission agreement between the broker or referral source/borrower, for the sole purpose of determining agency before we will initiate a site visit. Please note that we are Par lenders, and we do not share in your commissions.  We do not regulate broker/finder points; all escrows closed through licensed real estate brokers, if required by law, subj to non-disclosure documentation. We appreciate your interest. Web site: [privatecommercial.net](https://click.icptrack.com/icp/relay.php?r=10633845&msgid=185571&act=HFL1&c=1662304&pid=877314&destination=http%3A%2F%2Fprivatecommercial.net&cf=4465&v=f7fbbd8a837ebef3ea9ddc05acfef460d7e7e2b57a11d30c8d04c09b8fba8699)

[**General Requirement and Parameters for Submission: Refinance/Purchase**](#_top) **pg 5.**



General Requirements and Parameters for Submission: Construction

We loan to 80 % LTC, for construction to permanent, , normally from 4MM minimum to 17/18MM depending on the project, subject to underwriting/appraisal. All loans are non-recourse, normally baseline 6.95% Fixed 30/10 at Par to Broker/Referral Source, US/Canada only. Due to the recent inflation numbers, loans are now mostly 6.95%.+ . We are not SFR/Apt Lenders.

An additional broker point is available on the backend, upon request, and approval, on targeted loans. If this is requested the rate will be raised 20 basis points for the term of the construction and permanent term.

 To make a submission: We will need a summary, to include a cost breakdown, pro forma of project,., and a narrative of the project (pictures/old appraisal if available).with Purchase/Sale agreement/& escrow instructions as appropriate. A breakdown of sources and uses of funds, if available. We will ask for a sponsor. REO, and PFS, (real estate owned and Personal financial statement) (if available). Additionally, we need entity documentation, and title company preference.

If we are interested, we will require an agency or commission agreement between you/and sponsor, so that we can establish agency (we as par lenders do not furnish agency agreement forms, but they are available freely on the internet) Upon receipt of the agreement, underwriting could finish, the review of the file, and if within parameters schedule an unescorted visit of the site before the generation of a lender's letter of interest/intent subj to underwriting/appraisal,

3rd Party Fees Appraisals are generally a borrower choice, though we prefer national firms, such as Colliers, Cushman &Wakefield, BBG, HVS, CBRE, JLL, Newmark/Frank, et al. Local/Regional MAI firms will require an approval, from underwriting. **Appraisal reports requested are full narrative reports, with 3 approaches to value. Construction reports are “as is”, “completed”, and “stabilized”. All reports will need an insurable value workup, as per Marshall & Swift.** **Per underwriting We do not engage appraisers, or sign engagement letters.**  Additionally, appraisal reports received from appraisal firms not on our list may cost more to underwrite. A Due Diligence/Underwriting support fee is per the table below is **due upon appraisal engagement.**

**3,000,000-5,000,000 $3300**

**5,000,001-8,000,000 $3400**

**8,000,001-12,000,000 $3500**

**12,000,001-15,000,000 $3600**

**15,000,001-18,500,000 $3700**

**Appraisal Upon receipt of appraisal underwriting/processing time is 3 weeks, per lender letter of interest/intent, though at approx. the 2 week point we would expect an underwriting report, with loan committee the following week. Docs/or Letter of Commitment are generated, subsequent to a positive review by loan committee.**

General Costs Parameters

Loan size:  per request

Term: construction to permanent.

Typical Rate: 6.95% Fixed

Amort: 30/10 after completion

IO interest only during construction/interest reserve

 non-recourse, interest reserve upon request, subj to underwriting

interest is paid, as drawn (we do not charge interest on the total amount, unless drawn)

Closing costs

Closing time 3 weeks upon receipt of appraisal

Construction fund control, sponsor’s choice

**Documents needed for Closing, to be placed in a sponsor/broker Dropbox File**

1. **PFS Personal Financial Statement of Principal Borrower**
2. **REO Real Estate Owned of Principal Borrower**
3. **Update cost Breakdown**
4. **Updated Proforma**
5. **P&L if any refinance**
6. **Signed PSA Purchase and Sale Agreement if Purchase.**
7. **Information about the Contactor, Bonding/License Proposed Fund Control (Only if appropriate)**
8. **Any Documentation about the building drawings, engineering, permits. (Only if appropriate)**
9. **Appraisal**

**PREPAYMENT**

Upon prepayment of the Note, Lender is entitled to the following prepayment penalty: all funds drawn with interest, during construction, and on completion for 2 years, Borrower shall be subject to a prepayment penalty as follows: a flat 1% during Note years 1-2, after construction completion. After 2 years, there is no prepayment penalty.

Fees are outlined in a potential LOI and attached. Specifically, We will need an appraisal, normally a national firm, and a due diligence workup, cost schedule,to finish underwriting, and advance the submission to loan committee.

Loan origination is 1/10 of 1 point on a loan of 5MM is $5000, at close of escrow.**Before closing , any issues with the title should be cleared up, such as:**

* **tax liens**
* **judgments**
* **contractor/mechanics liens**
* **encroachments**
* **breaks in the chain of title**
* **incorrect legal description**
* **reinterpretation of law**

The property owner might not be aware of every potential problem with the building’s title. For a fee (typically less than $1000), a title clearing service can be hired to identify any unknown issues. If not resolved, we will pay these items off to perfect our lien.

**The Initial Review**

**As we are private, we do not have a broker qualification process, but review questions/submission on an adhoc basis. Note we are commercial lenders only, we do not consider SFR or Apartment projects. We lend from 3MM to 18MM. Commissions, paid through escrow are per general submission attachment (this contains loan cost information).  Submissions maybe of interest subj to receipt of:**

**To review projects of interest we will need a cost breakdown for construction (P&L for refinance), proforma, and summary with use of funds, and if refinance payoff information/including loan information, when due/rate/term. If there is a ground lease we need a copy of the lease. If there is proposed Pace-Equity Funding, we need a copy of the proposal.**

**Purchase money loans need an escrow and acceptance from the seller (PSA Purchase and Sale Agreement. Additionally, an appraisal can be reviewed, if available to help discern interest.**

**The Initial Process**

**We will review the file, and if satisfactory make an unescorted  site visit. If within parameters, we will issue a LOI, that will detail terms.**

**If your client wants to proceed, sign and return LOI.**

**Upon receipt of a signed LOI, we will request an appraisal (prefer national firms)**

**As we do not request a deposit, we will need** **a due diligence/underwriting support fee to advance the file to loan committee****, as below**

**Effective Mar 1, 2023 the fee is per this schedule.**

**a due diligence/underwriting support fee due at appraisal engagement, per the following schedule:**

**Loan Amount Requested**

**3,000,000-5,000,000 $3300**

**5,000,001-8,000,000 $3400**

**8,000,001-12,000,000 $3500**

**12,000,001-15,000,000 $3600**

**15,000,001-18,000,000 $3700**

***The Underwriting Process***

***In short, the underwriting report is a document compiled, that will allow loan committee to make a loan decision. The distillation of the report is largely based upon the appraisal but does include information from other sources.  DUE DILIGENCE, UNDERWRITING SUPPORT, AND ANALYTICS, ARE USED TO PRESENT AN Underwriting FILE FOR FAMILY REVIEW/FUNDING, without bias by broker or borrower, by a family closely held, to be determined LLC.  The file information is not disseminated with others including the introducing broker.***

* ***Loan funding, per family committee, finances investments that match the specific goal of reversion of capital at loan maturity with payments as stipulated in the note to be drawn. Again, underwriting guidance may come from several sources, internal and external to PRIVATE COMMERCIAL LOANS, and associated LLCs.***

***Funding***

 **Funding is after loan committee approval, normally a couple of days, subject to title Company recording/title requirements, or we can offer a forward commitment upon to 60 days without cost.**

**[General Requirement and Parameters for Submission: Refinance/Purchase](#_top)**

We loan to 70-75% LTV(dependent upon condition), normally from 3MM minimum to 18.5 MM Maximum, depending on the project, subject to underwriting/appraisal All loans are non-recourse, normally baseline 6.45% Fixed 30/10 at Par to Broker/Referral Source , US/Canada only Due to the recent inflation numbers, loans are now mostly 6.95%.+ We are not SFR/Apt or land Lenders

 An additional broker point is available on the backend, upon request, and approval, on targeted loans. If this is requested the rate will be raised 20 basis points for the term of the permanent loan term.

To make a submission We will need a summary, to include a cost breakdown (if appropriate, rent rolls/P&L/pro forma if available, REO, and PFS, (real estate owned and Personal financial statement) of sponsor entity (if available) and a narrative of the project (pictures/old appraisal if available)

A breakdown of sources and uses of funds, to include the amount of the loan to be refinanced, and the rate, and when due. If we are interested, we will require a commission (agency) agreement between you/and sponsor, so that we can establish agency (as par lenders. do not furnish agency agreement forms, but they are available freely on the internet.)

Upon receipt of the agreement, underwriting could finish, the review of the file, and if within parameters schedule an unescorted visit of the site before the generation of a lender's letter of interest/intent subj to underwriting/appraisal

3rd Party Fees Appraisals are generally a borrower choice, though we prefer national firms, such as Colliers, Cushman &Wakefield, BBG, HVS, CBRE, JLL, Newmark/Frank, et al. Local/Regional MAI firms will require an approval, from underwriting. **Appraisal reports requested are full narrative reports, with 3 approaches to value. Construction reports are “as is”, “completed”, and “stabilized”. All reports will need a insurable value workup, as per Marshall & Swift.** **Per underwriting we do not engage appraisers, or sign engagement letters** Additionally, appraisal reports received from appraisal firms not on our list may cost more to underwrite. A Due Diligence/Underwriting support fee is approx. half that of an appraisal A Due Diligence/Underwriting support fee below is **due upon appraisal engagement.**

**Effective Mar 1, 2023 the fee is per this schedule.**

 **a due diligence/underwriting support fee due at appraisal engagement, per the following schedule**

**Loan Amount Requested**

**3,000,000-5,000,000 $3300**

**5,000,001-8,000,000 $3400**

**8,000,001-12,000,000 $3500**

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**Documents needed for Closing, to be placed in a sponsor/broker Dropbox File**

**PFS Personal Financial Statement of Principal Borrower**

**REO Real Estate Owned of Principal Borrower**

**Update cost Breakdown (if any construction)**

**Updated Proforma**

**P&L if refinance**

**Signed PSA Purchase and Sale Agreement if Purchase**

**Information about the Contactor, Bonding/License Proposed Fund Control (Only if appropriate)**

**Any Documentation about the building drawings, engineering, permits. (Only if appropriate)**

**Appraisal**

**General Cost Parameters**

**Loan size:  per request**

**Term: permanent.**

**Typical Rate: 6.95% Fixed**

**Amort: 30/10**

**non-recourse**

**Closing time 3 weeks upon receipt of appraisal**

**PREPAYMENT**

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Fees are outlined in a potential LOI and attached. Specifically, We will need an appraisal, normally a national firm, and a due diligence workup, normally half the cost of an appraisal, approximately $3150 to finish underwriting, and advance the submission to loan committee.

Loan origination is 1/10 of 1 point on a loan of 5MM is $5000, at close of escrow.

Closing requirements: Entity information as appropriate. Title company preference, if any.

**Upon receipt of appraisal underwriting/processing time is 3 weeks, per lender letter of interest/intent, though at approx. the 2 week point we would expect an underwriting report, with loan committee the following week. Docs/or Letter of Commitment are generated, subsequent to a positive review by loan committee.**

**Before closing, any issues with the title should be cleared up, so we can perfect our lien: to wit:**

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* **judgments**
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**The Initial Process**

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**If your client wants to proceed, sign and return LOI.**

**Upon receipt of a signed LOI, we will request an appraisal (prefer national firms, per general parameters, as attached.**

**As we do not request a deposit, we will need a due diligence/underwriting support fee, to advance the file to loan committee.**

***The Underwriting Process***

***In short, the underwriting report is a document compiled, that will allow loan committee to make a loan decision. The distillation of the report is largely based upon the appraisal but does include information from other sources.  DUE DILIGENCE, UNDERWRITING SUPPORT, AND ANALYTICS, ARE USED TO PRESENT AN Underwriting FILE FOR FAMILY REVIEW/FUNDING, without bias by broker or borrower, by a family closely held, to be determined LLC.  The file information is not disseminated with others including the introducing broker.***

* ***Loan funding, per family committee, finances investments that match the specific goal of reversion of capital at loan maturity. Again, underwriting guidance may come from several sources, internal and external to PRIVATE COMMERCIAL LOANS, and associated LLCs.***

***Funding***

 **Funding is after loan committee approval, normally a couple of days, subject to title Company recording/title requirements.**


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