

**- TOP SECRET -**  
**TEN THINGS**  
**THAT LENDERS**  
**DON'T WANT**  
**YOU TO KNOW!**

Excerpts From The Book...

# GET Your Loan Closed!



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**Putting it all Together; It's All in the  
Packaging**

Here's a question, since I now know you so well, and I know how smart you've gotten over the last 27 days.

### **Which loan is going to get the lenders attention?**

- A. The loan package that looks like the dog ate it.
- B. The loan package that a professional puts together
- C. The loan package that a borrower puts together by themselves.

Now I know you think this is a trick question, but its not. Believe it or not the Answer is C. I know you expected it was a loaded question for you to want to hire us and put it all together, but that is not our purpose. Our purpose is to present the facts.

A loan package, including the business plan, if any, needs to be created by the borrower, not the professional. The reason is that it is the borrower's deal, the borrower must know the facts in the loan package, the borrower must be able to respond to the lenders questions, and if the borrower did not put the package together and it was done by the professional they will not know the answers. Download a free example of a [successful business](#) plan template that we have used with many of our clients.

They will not be able to satisfy the lender that they understand the project they are trying to finance. They will not be able to address the lenders questions about cash flow and projections.

By now, I guess I've driven home the message loud and clear.

So now that you know that YOU must take control of your own loan package lets determine what goes in the package.

We will assume again two examples; the first one for a business owner occupied loan, the second for an investment piece of property.

### **Business Owner Occupied Loan**

1. Purchase Contract
2. Brokers Sales Piece of the Acquisition
3. Pictures of the property and or business
4. Escrow Instructions or the equivalent in your locale
5. Résumé of the Borrower
6. Business Plan for the acquisition
7. Cash flow projections for the acquisition

8. Seller's Financials – both Profit & Loss and Balance Sheet dated the same date
9. Interim Financials Year to Date
10. Seller's Tax Return for three years
11. Borrower's Tax Returns for three years
12. List of all Assets to be conveyed at sale
13. List of all Contacts for the transactions
14. And of Course the Lenders Application

## Commercial Investment

1. Purchase Contract
2. Broker Sales Piece for the Acquisition
3. Pictures of the property
4. Appraisal of the Property
5. Current Title Report
6. Escrow Instructions or the equivalent in your locale
7. Rent Roll with Lease termination Dates
8. Income and Expense Statement
9. Current Property Tax and Property Insurance Information
10. List of all Contacts for the transactions
11. And of course the Lenders Application

We are going to examine each item superficially, but in our 95 page color book [GET Your Loan Closed!](#) we will examine each item thoroughly and give examples of each as well. We will discuss the salient points as well as the not-so-known tricks to ensure that you [GET Your Loan Closed!](#).

First we will examine the components that are in common with each of the two examples

**Purchase Contract** – The lender wants to make sure that you have entered into a legal purchase contract, they will not lend with a Memorandum of Understanding or Letter of Intent, and it must be an executed purchase agreement signed by both buyer and seller

**Escrow Instructions** – This document becomes the foundation of the entire transaction. This is where the meeting of the minds of all parties is documented.

**Broker Sales Piece** – This is used to tell the story of what the client thinks he is buying as compared to what he may be buying. More about this in our book

**GET Your Loan Closed!** This will also give you all the parameters to compare the cash flow, CAP rates, and ROI.

**Tax Returns for Buyer** – The lender wants to see what your overall financial position is, and there is no better way then examining tax return.

**Tax Return for the Seller** – Not always required with the purchase of a commercial investment. But when requested by the lender the returns for the seller tell the story of their current property ownership and management experience as well as the tax implications.

**List of all Contacts for the transactions** – Self explanatory, don't forget all of the players form the real estate brokers, business brokers, title, insurance, lenders, buyers, sellers, attorneys, CPA's and financial broker.

**Financial Statements** – All financial statement info has already been raised in the previous white reports, a great amount of detail is to be located in our 95 color page book **GET Your Loan Closed!**

**Lenders Application** – the key to this is to be complete; fill out every area, if an area is not applicable state so. Don't just leave an area blank.

### **Now for the items that only pertain to business owner occupied property.**

The most important item is the business plan. The business plan tells the lender what you are planning to do to grow the business. Business plans that are written by a consultant are DRASTICALLY minimized as to their importance. But the “stock” plans that a professional produces will not hold much weight. Download our free example of a [successful business plan template](#) that we have used with many of our clients.

Part of the plan is your résumé. This is very important, as the lender gets to see if you are really capable of running the business you are planning to purchase. Many new businesses fail, so the stronger you can make your background employment experience the higher the likelihood of approval. Draw as many similarities from your past positions to the business you are planning to buy.

Other items such as a list of assets, including furniture, fixtures and equipment act as the collateral for the transaction. The lender upon funding your loan will file a UCC 1 Filing statement to secure their financial interest in the transactions. UCCC 1 Filing statements were addressed in a previous white report.

For a commercial investment the current rent role is the most crucial piece of information for a lender to determine if they want to finance the loan request. The rent role will represent the proof of the income statement.

Generally speaking the more time a lender spends completing an incomplete package the less likely it becomes that the loan is going to be approved.

I want to leave you with this thought.

**The longer it takes to get approval the less likely that approval will occur.**

This concludes your ten secrets that lenders do not want you to know. All of these secrets are thoroughly examined in our book [GET Your Loan Closed!](#) The book will also include numerous daily observations that I have been seeing in the current marketplace. Each one of these daily observations will add to your knowledge of the lending process in 2008. These observations will help you get your own loan closed while making sure you don't fall into the "traps" and pitfalls out in the market place. Each one of the daily Observations if applied will point you in the right direction towards getting your loan closed today. More than ever these observations MUST be understood. The way the lenders did business in the past is not how they are behaving today!

[GET Your Loan Closed!](#) Today and continue to receive new Daily observations every morning in your e-mail account. As the market continues to fluctuate we will keep you informed at no extra cost. These new daily observations will be sent to you as our gift for ordering [GET Your Loan Closed!](#) Feel free to share these daily observations with your clients as well.