

\$UCCESS HIGHLIGHT

FUNDED

Amount: \$1,100,000

Purpose: Refinance - Pending Foreclosure Auction

Program: Private Money

Property Type: Funeral Home

Loan to Value - LTV: 55%

Terms: 12 Month Note, 12%, Interest Only with a 12-month extension option.

The Situation: The client was brought to us needing help to save his commercial property from a pending foreclosure auction; we had to move quickly.

The Challenges: The client initially purchased the land in 2014 and completed the construction in 2016. He has spent more than \$2,200,000 in the construction of the property. Our client obtained a bank loan, and after opening the business, revenue started slower than anticipated, and the initial overhead was too high. Due to a slow business start and putting over \$1 million of his personal funds into the building, he could not make all the payments. He then worked out a Forbearance Agreement with the bank, but once this period ended, the bank called the note and ultimately filed for foreclosure in 2019. Our client then filed a BK to prevent foreclosure and continued to make monthly payments; however, the bank was able to get the bankruptcy dismissed in October of 2020 and refiled for foreclosure. The borrower had been able to hold off losing the property by bidding and paying 5% of the total debt at the foreclosure sale, which reduced the balance. Since October of 2020, he made bid payments totaling \$394,618 and has reduced the principle on the note accordingly.

The Outcome: Hours before the foreclosure sale or property auction, the title attorney received the wired funds for the new bridge loan, and the property auction stopped.

The client now has a moment to breathe and the time needed for his exit strategy. Over the past two years, he had reduced costs, increased revenue, and shows the ability to service the debt. He intends on selling the property and business.



Flexible Commercial Real Estate Loans

Private Money, Bridge Loans, Soft Money, Small Balance and Premium.

A - D Credit Solutions

Funding Edge

Creative Edge in Commercial Finance

Phone: (210) 249-2111 / (830) 331-4030

Fax: (210) 280-0069

Email Customer Service: cs@fundingedge.com

New Apps: newapps@power2fund.com

Website: www.fundingedge.com

