



Patch of Land
building wealth. growing communities.

OUR LENDING



PARAMETERS

The parameters below are only a general guideline. At Patch Of Land we look at every project proposal individually—each deal and developer is unique. We take the time to develop strong relationships with our developer partners to understand their particular needs and project goals.

<p>LOAN AMOUNT \$100,000-\$1,000,000 and up</p>	<p>TERM 1-24 months <i>Shorter term bridge loans available</i></p>
<p>RATES Starting at 8.99%</p>	<p>AMORTIZATION Interest only</p>
<p>LOAN TO VALUE (LTV) 75% <i>Higher % financing programs also available</i></p>	<p>AFTER RENOVATED VALUE (ARV) 60% <i>Higher % financing programs also available</i></p>
<p>CLOSING TIMES 1-2 weeks</p>	<p>NO REPAYMENT PENALTY Repay your loan anytime</p>
<p>LIEN POSITION 1st Deeds of Trust Personal Guarantee</p>	<p>COLLATERAL TYPE Residential: Single family, multi-family, and condominiums Small Commercial: Mixed use, office, shopping centers, apartments, no raw land</p>
<p>PROCEED USAGE Purchase, refinance, renovation, bridge, double escrow</p>	<p>LENDING AREA United States <i>(Except NV, AZ, SD, MN, VT)</i></p>



HOW TO SUBMIT

Submitting is easy! Go to www.patchofland.com/developer-information/ and fill out a loan application. It takes as little as five minutes. The more information you give us, the better. Once the submission is reviewed and we feel it is a good fit, one of our underwriters will call the developer to discuss the project in more detail and to discuss how Patch of Land works and the next steps.

For questions, please email developers@patchofland.com or call 1-888-959-1465.



SUBMISSIONS

Typically, loans are initially submitted through our website where the developer fills in general information regarding the project and their background. The more information given the better.

Once a submittal is reviewed and we feel it is a good fit (see parameters), the Underwriter calls the developer to discuss the project in more detail and discusses how Patch of Land works and the next steps. The developer is emailed an application and a list of items needed to underwrite the loan.

The list includes:

- » Credit Report (we look at all scores because we take a holistic approach)
- » Proof of Funds (for down payment, closing cost, et cetera)
- » Inspection Report of the property, if available
- » List of Comparable sales (CMA, BPO, MLS listings)
- » Purchase Contract, if a purchase
- » Construction Estimate & Timeframe
- » Contractor Information
- » Payoff Statement, if a Refinance
- » Borrower's Attorney information
- » Articles of Incorporation, if applicable
- » Developer Biography (to be posted on the website)
- » Property Description/Plans (to be posted on the website)

We also complete an independent background check of the borrower and the corporation.

Once we review all the items, the developer is called to discuss details and answer any questions. If everything looks good, the loan is presented to our Executive team to determine the Interest Rate, Points & Structure of the loan.

It is important to note, that many factors go into the underwriting of a loan. We typically like the developer to put money into the deal (the more, the better). How "seasoned" is the developer? Are they buying under market value? What is the LTV? More importantly, what will the ARV (After Renovated Value) be? We typically look for an ARV to be around 60% of the loan. Is it in an appreciating market?

We then call the developer to present the Letter of Engagement and answer any questions they may have. Once the developer agrees to the Terms, an appraisal and legal work are ordered.

All of this usually takes about 24 hours at this point. Then the appraisal is ordered.

The appraisal will usually take 4-5 days to be completed and returned to the Underwriter for review. This is a crucial part of the underwriting process because we always use a licensed independent third appraiser to evaluate the property and give us two values: the "AS IS" value and the "SUBJECT TO" value. This can make or break a deal or at the very least, renegotiate the loan size. The appraiser is our eyes and ears at the property and helps ensure our due diligence to protect our investors' capital.

Once everything is signed off by the Underwriter, it is scheduled to close.

In total, a loan can close as quickly as 5 days but on average it's about 10 business days.



BRANDING & SOCIAL NETWORKING

Because Patch of Land does branding and marketing for you and your projects, we ask for social media profiles including LinkedIn, Twitter, and your website. Investors like to know whom they are investing with, so it's important to keep your online presence current and to put your best foot forward. We'll create a detailed profile about you on our site, so be ready to do a formal interview with us.

We are committed to offering investors transparency and regular updates, so please also be prepared to send videos, photos, and written updates on the progress of your project. Of course, we will take care of making the updates to our investors, and handling all communications with them, so you can focus 100% of your attention on your project.