



JDBFINANCIALLLC

JDB FINANCIAL LLC

~Supplying all your financial needs~

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The funding process I am going to describe is unique. It offers Borrowers a simple way to acquire funds for a multitude of reasons, corporate aircraft, real estate, etc. Minimum funding amounts are \$15MM for real estate (although will consider viable projects starting at \$10MM) and \$5MM for aircrafts.

"On the latest review, we have decided to eliminate the option of the Borrower providing cash payment to procure the pre-requisite Bank Guarantee that is used as Collateral Support for the loan application. In replacing this option the Borrower will now be required to provide a **STANDBY LETTER OF CREDIT, (SBLC)**. This Instrument **MUST** be issued by a "Top Tier" Bank or Financial Institution with a Face Value of no less than six and one half percent (6.50%) of the requested loan amount with a maturity date of one year and one day. However, no Instrument will be accepted with a value of less than One Million Dollars (US\$1M)."

The swift codes that my lender accepts are MT 700 and MT 760. As I mentioned, Sterling bank is a top tier bank and we can accept their SBLC. The lender would provide a pre-adversarial upon receipt of the bank's standard SBLC. Pending any needed amendments per the lender's request, the SBLC would be approved by the lender and the funding process would consummate. (There has been too much back and forth with bankers when we initially provide our preferred verbiage for the SBLC.

Real Estate Funding (Quick overview):

6-8% interest rate (currently at 6 1/4%)

Not to exceed 5 points (lender & brokers' fees inclusive)

100% financing (borrower must secure a SBLC for 6 1/2% of loan amount upon issuance of LOI and credited back at closing)

1 yr moratorium on interest payments depending of scope of rehab

\$7500 processing fee upon application submission (refunded if loan is not approved and credited at closing)

\$15M minimum projects (will entertain strong projects of \$10-15M)

No geographic limitations

Must be a viable project

Requirements:

Completed business plan or executive summary including financials

Proof of 6 1/2% from current income or bank statement

Funds must be available at issuance of LOI

NO platform trading, direct access to capital lending!

The following is a brief summary of the funding process.

- The borrower submits an executive summary.
- Upon review and green light, borrower makes a formal application to include a full business plan, w/ proforma and submits a 100% refundable \$7500.00 formal application fee. (Fee is credited at completion of funding process.)
- Borrower executes fee agreement.
- Credit package is compiled containing pertinent financial information
- Letter of Intent (LOI) is offered by Lender to Borrower, outlining terms of loan within 3-5 business days.
- LOI is accepted by Borrower, returned to Lender.
- Lender issues a Funding Agreement (FA) that outlines the specific funding process.
- Borrower issues a Stand By Letter of Credit (SBLC) in the amount of ten percent (6.5%) of face value of funding. The SBLC is submitted to a large commercial bank for the purpose of obtaining a Bank Guaranty (BG) for the full face value of the loan. The Bank Guaranty (BG) is considered a Collateral Instrument (CI) issued on behalf of the Borrower to the Funding Facility (FF).
- The FF will hold the CI during the funding process. Upon completion of the funding process, the CI is returned after the second monthly loan repayment has been received, to the BG issuer, who then returns the SBLC to the Borrower. The FF secures the asset by placing a lien on the asset.
- The funding process is facilitated by an administrator through an American Law Firm, who handles loan documents and funding disbursements.
- The loan proceeds are directed by the Borrower.
- The funding typically happens through three to four tranches, starting 30 days after receipt of the SBLC. First tranche is for purchase, others to be determined by business plan funding schedule and lender and will be spelled out in funding agreement
- Typical interest rates are sub seven percent (7%). Current rate @ 6.25%
- There are no interest payments collected prior to the completion of the funding process.
- Settlement costs range from 3-5%.

This funding structure is best suited for borrowers who are no longer "bankable" but have liquidity to obtain a SBLC. The structure allows for efficient funding of viable deals with no geographic restrictions. Lender closes \$500MM per month.