

Fix & Flip Bulletin 2022-09-09

Rehab Budget Requirements

Acra Lending's Bridge Lending Division wants to clarify the following requirements:

All Fix and Flip Rehab Loans require a Rehab Budget from the Borrower/Guarantor. Acra requires the budget to be submitted using the template located on the Cintranet. This specific template is required to help improve the underwriting and post funding draw process. There are multiple benefits to having a consistent template but here are a few:

- Underwriting Process
 - Template has a section for a "Description of Work" which will help the Appraiser and Underwriter understand the plans on the project
 - Template has a section for any changes to Sq. Ft., Property Type and/or # of bedrooms or bathrooms
 - Faster review process when all Rehab Budgets look the same
- Post-Funding Draw Process
 - Ensures that the line items add up correctly and therefore the correct total budget was underwritten
 - Allows for a more efficient process when uploading the Rehab Budget to our Draw Management system.

Please distribute this information to the appropriate individuals.