April 21, 2022

Thank you for your interest in a loan with Acra Lending!

Based on the information you provided on your Pre-Qualification Form, we are pleased to present you with this \*Pre-Qualification Letter that includes the following Proposed Loan Terms:

**Borrower Name:**

**Experience Level:**

**FICO Score:**

**Property Address:**

**City: State:**

**Zip Code:**

**Property Type:**

**Number of Units:**

**Acra Points:**

**Acra Processing Fee:**

**Loan Term:**

**Loan Type/Program:**

**Purchase Price:**

**Max LTV%:**

**Max ARV%:**

**Max LTC%:**

**Total Loan Amount:**

**Initial Advance:**

**Rehab Budget:**

**Interest Rate:**

**Broker Points:**

**Broker Processing Fee:**

This Pre-Qualification Letter is valid for thirty (30) days from the date listed above and is based on the information you provided to us in the Business Purpose Loan Analysis/ Pre-Approval Form. To be approved for these Proposed Loan Terms, please submit a Submission Form to begin the application process along with all applicable documentation required for an application for Acra Lending’s review. These Proposed Loan Terms will not be approved until Acra Lending receives a Submission Form, performs, at a minimum, verification of your credit, liquidity, experience, background check, subject property due diligence, a full appraisal, a complete underwrite according to Acra Lending’s guidelines and any other conditions imposed by Acra Lending in its sole discretion to enable the creation of a completed application. Any Proposed Loan Terms listed in this Pre-Qualification Letter are subject to change and are not a commitment to lend.

By submitting a Submission Form and information in connection Pre-Qualification Form and/or this Pre-Qualification Letter, Borrower, and Guarantor (collectively “You”) represent, warrant, and agree that all information submitted by you or on your behalf is accurate and true to the best of your knowledge. You further expressly consent and agree to allow Acra Lending, its agents, and/or third-party vendors to perform a background (including but not limited to criminal and civil records) on all Borrowers and Guarantors and credit check on all Guarantors when a Submission Form is received in connection with the same.

ACRA reserves the right to halt, terminate or modify the rates, terms, condition and programs without notice, and may cancel your prequalification at any time, for any reason (including but not limited to, interruptions to financial markets, loss or malfunctions of: utilities, communications, computer (software and hardware) or labor; disasters, disease, epidemics, pandemics; government action or regulations, strike, riot, acts of terrorism, acts of war, acts of civil or military authority, or other acts of god).

Please see Exhibit A (Documents Required) attached below for a complete list of documents we may require to complete our review of your Application:

**Exhibit A**

**Documents Required**

**Minimum Submission Items:**

|  |  |
| --- | --- |
|  | Completed and Signed Submission Form |
|  | Signed Disclosures |
|  | Signed E-Consent |
|  | Fully Executed Operating Agreement/By-Laws (For the Borrower and any nested entity) |
|  | Experience Verification (REO or List of Properties Owned/Sold) (For the Borrower and/or Guarantor(s)) |
|  | Purchase Contract (If Applicable) |
|  | Rehab Budget with Scope of Work |
|  | Appraisal Point of Contact (to Schedule the Inspection) |

**Additional Items we may Require (we reserve the right to add additional items as necessary:**

**Borrower Items**

|  |  |
| --- | --- |
|  | Filed Articles of Organization/Incorporation |
|  | Certificate of Good Standing |
|  | Foreign Entity Registration (If Applicable) |
|  | Tax EIN Letter |
|  | 2 Months Most Recent Account Statements with Letter of Explanation for any deposits over $50k |
|  | ACH Form/Voided Check |

**Guarantor Items** (needed for each individual owning 20% or more of Entity)

|  |  |
| --- | --- |
|  | Copy of ID or Passport |
|  | Copy of Social Security Card |

**Property Items**

|  |  |
| --- | --- |
|  | Payoff Estimate (If Applicable) |
|  | Hazard Insurance Certificate |
|  | Flood Insurance Certificate (If Applicable) |
|  | Master Condo Insurance Policy (If Applicable) |
|  | Condo Questionnaire (If Applicable) |
|  | Lease Agreement and 2 Months most recent Rent Verification (If Applicable) |
|  | Appraisal Report |
|  | Environmental Report (Required for all Multifamily 5+ Units) |

**Title Items**

|  |  |
| --- | --- |
|  | Title Preliminary Report/Commitment |
|  | Closing Protection Letter |
|  | Wiring Instructions |

**Contact Info.**

|  |  |
| --- | --- |
|  | Closing Agent/Escrow Officer/Closing Attorney/Settlement Agent etc. |
|  | Insurance Agent |

**Broker/Referral Info.**

|  |  |
| --- | --- |
|  | Invoice |
|  | W-9 (If Applicable) |
|  | Referral Fee Agreement (If Applicable) |