



**AMI**<sup>TM</sup>  
L E N D E R S

AMI LENDERS INC.  
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## Our Loan Approval Guidelines

- 1 We lend only on real estate secured by a title insured first lien (no second or inferior liens whatsoever)
- 2 We lend only on properties in the greater Houston MSA, the Dallas/Fort Worth MSA and the Austin/San Antonio MSA; we do not lend out of state
- 3 We finance up to 70% on any purchase money loan (e.g. homesteads, second homes, investment properties, commercial properties, lots and unimproved properties)

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**WE'LL LEND THE FOLLOWING ON REFINANCES:**

	<b>70%</b>	LTV on a borrower's primary homestead LTV on a borrower's secondary homestead LTV on "fix & flip" (including purchase price & repairs)
	<b>65%</b>	LTV on investment properties LTV on commercial properties
	<b>50%</b>	LTV on lots in platted and recorded sub-divisions
	<b>33.3%</b>	LTV on unimproved properties

- 5 We offer flexible repayment terms tailored to each loan type (i.e. owner-occupied homes, non-owner occupied homes, commercial properties and unimproved properties.)

<p><b>6</b> Escrow for taxes and insurance is required on all amortizing loans; escrow payments may be waived in some cases when LTV is very low</p>	<p><b>7</b> Escrow may be waived on "fix &amp; flip" loans</p>	<p><b>8</b> Escrow may also be waived on interest only loans made for terms of 12 months or less</p>
<p><b>9</b> We require a Phase One Environmental Study on all commercial loans over \$500K</p>	<p><b>10</b> We require a survey on all loans</p>	<p><b>11</b> We require an appraisal; a BMA on loans &lt;\$250K may on occasion be accepted</p>

On “fix & flip” or on “fix & hold” loans, we’ll finance 70% of the purchase price and 70% of the construction budget. The borrower’s 30%, however, must go in first. Following is an example:

$  \begin{array}{r}  \$ 70,000 \\  \$+30,000 \\  \hline  \$100,000 \\  X's \quad .70 \\  \hline  \$ 70,000  \end{array}  $	Purchase price Repair budget Total cost  AMI’s loan
$  \begin{array}{r}  \$ 70,000 \\  \$-30,000 \\  \$-40,000  \end{array}  $	Amount due seller at closing Contractor’s down payment AMI’s first advance
$  \begin{array}{r}  \$ 70,000 \\  \$-40,000 \\  \$ 30,000  \end{array}  $	AMI’s non-revolving loan AMI’s first advance (at the closing) Amount available in draws to complete the rehab

**NOTE: AMI may advance some of the \$30K if the contractor needs seed money to get started.**

### Exception to our lending guidelines:

Our policy is to lend money based on “loan to cost” and not “loan to value”. However in some cases, we finance 75% of the “ARV” on investment properties (a/k/a fix & hold). To qualify for 75% financing however, we require third party evidence of a borrower’s ability to repay their loan and a minimum FICO score of:

- 680 if borrower has <4 investment properties
- 720 if borrower has >4 investment properties

Additionally, our policy of “loan to cost” applies on fix & flip properties. However, there may also be occasions when we finance 70% of the “ARV” on fix & flip properties. To qualify for 70% financing based on the “ARV” however, we require evidence from a third party of the borrower’s ability to repay their loan, a minimum FICO score of 680 and sufficient liquidity after the purchase for future debt service.

Our primary advantage over traditional banks is our speed. We have the ability to close on a loan within just a few days. In fact, we’ve closed loans in 48 hours when we’ve had everything we need at the onset. Our advantage over hard-money rates, is our competitive interest rate and fees. We offer both fixed and floating rate options.

We have two basic requirements; (i) that we have a low LTV, and (ii) that we have proof that our borrower has the ability to repay our loan.

We’re not in the “loan to own” business. We are not interested in owning the property. Instead, our goals are to provide excellent service, to be repaid in full and for our customers to call on us again when they need a loan.

