

**CREATIVE FINANCE & INVESTMENTS, LLC**

1821 South Ave., W., Suite 407

Missoula, MT 59801

**406-721-1444**

**LOAN SUMMARY**

XXXXXX - Loan

**INVESTMENT:** \$1,050,000,000

**ANNUAL YIELD:** 11%

**DETAILS:**

The investor will be making a direct loan to XXXXXXXXXXXXXXX, secured by a 260,000 square foot industrial warehouse building located in Tyler, Texas. The investor will be in first and only lien position. The investment will help fund building improvements that meet requirements to allow large commercial corporations to lease the warehouse. Current market value once all improvements are completed will be approximately \$8,300,000. XXXXX has expressed that nearly all planned improvements have been completed and negotiations to lease the warehouse are underway.

**\* INFORMATION:**

Loan Date	when soon as available
Loan Amount	\$1,050,000
Annual interest rate charged to Borrower	12%
Net yield to investor	11%
Monthly (interest-only) payment	\$10,500
Net approximate monthly payment to investor	\$9,625
Final Payment (due in 2 years)	\$1,060,500
Loan Term	24 months
Payment due date	1 <sup>st</sup> due 30 days after closing

Note will be escrowed at a Title Company that is to be determined. Of the 12% paid by borrower, the investor capture interest at the rate of 11% and CFI captures interest at the rate of 1%. CFI Contract Maintenance tracks the monthly payments, taxes & insurance, and obtains an annual drive-by price opinion, as well as communicates with the borrower regarding any issues.

**CASH FLOW (estimated):**

23monthly payments of approximate \$10,500	\$ 241,500
Estimated final payment	<u>\$1,060,500</u>
<b>ESTIMATED TOTAL RETURN (rounded)</b>	<u><b>\$1,302,000</b></u>

**SECURITY INFORMATION:**

This is an equity loan secured by a 260,000 sq ft commercial industrial warehouse with no other liens as confirmed by the title commitment. A recent commercial appraisal report provided by Paramount Property Analysts values the warehouse at \$8.3MM.

Property Appraisal can be viewed here: [23-225 Industrial, 12345 Massey Ave., Tyler, TX.pdf](#)

The desired loan will help complete required improvements to allow for large multinational corporations to rent and operate out of the warehouse. Current negotiations to rent the warehouse involve Trane Technologies. The primary improvements that are being completed include an updated fire suppression system, all new electrical service in building, complete interior paint, complete exterior metal standing seam siding, resealed roof, new exterior windows, and new offices.

Photos of warehouse improvements can be viewed here:  
[https://1drv.ms/f/c/5783471d4014b93b/Eh\\_I\\_lq9CZ5LmgFscIJOYABSQJIY\\_cq7o0I5XhPzoA31g?e=kk2ueh](https://1drv.ms/f/c/5783471d4014b93b/Eh_I_lq9CZ5LmgFscIJOYABSQJIY_cq7o0I5XhPzoA31g?e=kk2ueh)

## **BORROWER'S INFORMATION:**

The project owned by [REDACTED] is a partnership of [REDACTED]. We don't ask for financial background on these types of loans, especially given the equity of this one but I can speak to the partner's experience.

I, Rod Haynes, have known and have been a friend of [REDACTED] for over 25 years. [REDACTED] business experience is extensive. [REDACTED] has been his primary business and that has given him the ability to pursue several other business endeavors. [REDACTED] is a wholesale lumber broker, buying truck loads and train cars of lumber from lumber mills and reselling to retail sellers and industrial end users. [REDACTED] started out in sales for [REDACTED] and became a top producer. [REDACTED] have since partnered in various lumber and related activities in Texas. The largest is industrial wood treating and they have expanded from there including the purchase and remodeling of the subject industrial warehouse property. [REDACTED] had three cherry orchards that he operated commercially with his own processing equipment and produced for Costco stores in Western Montana. He has since scaled that back but kept two of the prime orchards and let's someone else handle the product. One orchard is approximately 18 acres in Rollins Montana and the other is a 40 acre property which forms the confluence of the Clark Fork and Flathead Rivers. This has a 6,000 log lodge framed in with landing strip and nearby 100 plus acres up river on the Clark Fork near Quinn's Hot Springs. It is an incredible property. He has a residence on the Bitterroot River in Missoula that last year was on the market for \$2.8 million. He spends the majority of the winter at his place near La Paz Mexico that I personally feel is worth in excess of \$2,000,000. All that to say he has a lot of experience and lots of holdings with very little debt.

## **COMMENTS:**

We feel this is an excellent real estate loan investment considering the substantial Loan-to-Value security of the warehouse. The high-quality improvements that have been completed thus far also demonstrate the value of the investment and the competency of the borrowers to create a space that is compatible for large multinational corporations to rent.

## **NOTE: PLEASE READ CAREFULLY**

This summary may be presented to several interested investors and is subject to change, prior sale, or withdrawal. **The first bona fide commitment to purchase**

**received by Creative Finance & Investments from a qualified investor will conclude the availability of this investment.**

Any yield as stated in this summary is the yield the investor will receive if payments are made as scheduled. Any variation from the schedule will affect the yield positively or negatively.

Notes and contracts being serviced by an escrow agent may be subject to the escrow agent's service charges outside the control of Creative Finance and may affect the yield positively or negatively.

All information was obtained from sources believed to be reliable and is available upon request. Statements made are from an analysis of this data. CFI cannot guaranty property value or the performance of the Payor. **We encourage review by competent legal and professional counsel. This investment is in no way guaranteed by Creative Finance & Investments.** Past experience with Creative Finance should not influence your evaluation of this investment. It should stand on its own merit.

Prior to investing in a note or contract, carefully consider your personal investment objectives and the risks inherent in private money lending. These risks include but are not limited to: illiquidity due to the unique nature of a note, general downward market stresses, slower return of capital due to a borrower's subsequent bankruptcy.

INVESTOR ACKNOWLEDGMENT AND AGREEMENT TO PURCHASE:

DATED THIS \_\_\_\_ DAY OF 2024.

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