

CREATIVE FINANCE & INVESTMENTS, LLC

1821 South Ave., W., Suite 407

Missoula, MT 59801

406-721-1444

LOAN SUMMARY

XXXXXXXXXX - Loan

INVESTMENT: \$647,500

ANNUAL YIELD: 7.5%

DETAILS:

The investor will be making a direct loan to XXXXXXXXXXXX secured by the high-end Whitefish Condo being purchased. The investor will be in first and only lien position, with no junior liens. Current market value is approximately \$925,000.

LOAN INFORMATION:

Loan Date	June 22, 2021
Purchase Price	\$925,000
Loan Amount	\$647,500
Annual interest rate charged to Borrower	8%
Monthly interest-only payment	\$4,316
Net approximate monthly payment to investor	\$4,046
Final Payment (due in 4 years)	\$651,816
Loan Term	48 months
Payment due date	1 st due 30 days after closing

Note will be escrowed at Insured Titles of Missoula. Of the 8% paid by borrower, the investor captures interest at the rate of 7.5% and CFI captures interest at the rate of 0.5%. 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. There is a minimum four months of interest due as a pre-payment penalty. Late fee of \$260 if over 11 days late.

CASH FLOW (estimated):

47 monthly payments of approximate \$4,046.88	\$ 190,203
Estimated final payment	<u>651,546</u>
ESTIMATED TOTAL RETURN (rounded)	<u>\$ 841,750</u>

SECURITY INFORMATION:

The property securing this loan is a high-end 3-bedroom, 3-bath townhouse-style Condo with attached garage located at 3850 Winter Lane, #1, Whitefish, MT.

The listing price and Buy-Sell is \$925,000. The Buyer/Borrower had stayed at another unit in the past and has kept his eye on this area at the Big Mountain, Whitefish. This is ski-in and ski-out with a short walk to all restaurants, and incredible views of Whitefish Mountain and the area. The buyer was eager to get this under contract before the listing even went live. This also has a back-up full price offer. The 1,944 sq ft unit had been totally remodeled in beautiful high-end updates. The property is zoned residential with nightly/weekly rentals allowed. We expect current property value is at or above the sale price of \$925,000, giving the investor a comfortable 70% loan-to-value. We anticipate a comparable report shortly from National Parks Realty. In our own perusal of properties listed for sale in this Big Mountain area, we found a condo at 3842 Winter Lane for sale at \$599,000, which was more like an apartment with an aged condition. We also found townhome for sale at \$650,000 at 303 Wood Run Dr., which also was a bit aged. There are a few Condos/townhomes for sale in the \$2,000,000+ range in that same area. The borrower spent over 3 hours with the seller inspecting the property and going over all property details. [REDACTED] stated the property is in pristine condition.

BORROWER'S INFORMATION:

The Borrower is [REDACTED] of Helena. He is going to closing with \$277,500 cash plus closing costs. [REDACTED] owns a few businesses and a number of properties. This office has arranged for a couple of loans – one over \$600,000 and one under \$200,000. He has always taken care of business details, is easy to work with, and always makes his payments on or before the due date. He is very motivated to own this property and expects the vacation rental income will bring a nice return. His credit score is in the high 700s. Time is of the essence on this transaction and his willingness to close quickly with the sellers got him the accepted buy-sell before any other offers.

COMMENTS:

We feel this is an excellent real estate loan investment. Given the good loan-to-value, CFI's continued tracking of the loan performance, and the borrower's history, we feel this will prove to be a good secure interest-income note.

NOTE: PLEASE READ CAREFULLY

This summary may be presented to a number of 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 JUNE, 2021.
