

NEWSLETTER

HIGHLIGHTS

Check out our recent projects!

NONPROFIT: \$73,600 Land Contract Refinance for Michigan NonProfit. This organization is dedicated to helping youth who are coming out of the foster system. The CREM will have 60 monthly P&I payments amortized over 180 months and a fixed interest rate based on the 5 Year Treasury plus 350 basis points (7.63% at the time of closing). The Element 22 team completed a full underwriting document, collected due diligence & created a closing document package for this loan, while the Lender will keep the servicing in house.

UNDERWRITING ONLY: This \$1.344 Million CREM will enable the borrower to purchase a new AirBNB & refinance three other properties in Northern Michigan! With a 5/20 yr term at a fixed rate of 7.75%, this loan is secured by 4 pieces of real estate and backed by the unlimited & unsecured personal guaranty of the business owner AND a corporate guarantor. Element 22 Commercial Group had the pleasure of underwriting this deal. Is your institution looking for detailed underwriting only?

SBA SPOTLIGHT

This month, we are highlighting a recently closed **SBA 7a** loan for a Northern Michigan Accounting & Tax Preparation business! This **\$130,100** loan will enable the borrower to payoff a private note that was originally used to purchase their CPA business. With a 10 year term, this loan is secured by a **UCC All Business Asset** filing of the borrowing entity. Interest rate will be WSJ Prime + 2.00% with a reprice every 5 years, resulting in an effective rate of 10.50% at closing.

The Element 22 Commercial Group team prepared a detailed loan presentation, collected all due diligence items prior to closing, & created a closing document package for this SBA loan. Are you thinking about going SBA on one of your loans? We can help!

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Once a month, no spam. Local business lending successes, Industry news, upcoming E22 training events & more.

<https://element22cg.com/stay-up-to-date/>

CONSTRUCTION

This Construction Loan will allow the borrower to purchase and completely renovate an existing Michigan gas station, including replacing gas pumps, installing a canopy, & expanding the storefront! The Lender completed in-house underwriting, while E22 had the pleasure of conducting construction due diligence items & preparing closing documents for this deal, as well as servicing.

This loan will have an 18 month construction period at 7.75%, then convert to a 10 yr CREM amortized over 25 years. The rate after the construction period will reset to 7.25% fixed for the first 5 years, with a rate reset for the remaining term at Prime minus 0.75% & a floor of 5.00%. This loan is secured by a 1st position UCC All Business Asset filing (including liquor license) & 1st position CREM & AOR on gas station being remodeled.

