

First Choice Bank

www.firstchoicebanks.com

Dear Investor:

We are pleased that you are considering First Choice Bank for the financing of your single family investment properties. If you would like to submit an application, this letter summarizes the primary documents the Bank needs for underwriting. An outline of the general terms of our proposed loan structure is provided below. Specific financing terms are dependant on the bank's full underwriting and approval of your individual request. I have enclosed a Personal Financial Statement form for you to complete, sign and return to me. In addition, please provide the following documents:

- ___ Copies of complete individual income tax returns for the last two years with all schedules attached
- ___ Two most recent pay stubs from full-time employment. If you own your own company, please provide copies of the company's last two years of complete tax returns
- ___ Historical information about the cost, current value and loan balance for your existing rental property; I will be evaluating rental income and property expenses for each property, please use the attached form
- ___ Copy of driver's license for all signers
- ___ Copy of Articles of Organization or Articles of Incorporation
- ___ Copy of the Operating Agreement or Corporate By-Laws

Proposed General Terms of our financing are as follows:

- Loan Amount: The lesser of 80% of "As Improved" appraised value, or the cost of purchase and improvement; whichever is less
- Interest Rate: Prime + 1.95% fixed with a 6.75% floor
- Loan Maturity: Two years
- Loan Amortization: Loan principal will be amortized on a 25 year schedule, beginning in month 7
- Fees: 1% of the Loan Amount, in addition to all related costs. There is a \$1,000 minimum fee
- Loan Payments: Interest only for the first 6 months, followed by 18 months of P&I payments (see "Loan Amortization" above)
- An Entrepreneur Checking Account will automatically be opened for Series LLC and will be used for the auto-debit of Loan Payments and to retain the cost for improvements until the work is completed
- First Choice Bank will maintain escrow for Real Estate Taxes
- If the borrower has not previously owned rental property for at least 12 months, a management company must be used to lease the property and a licensed contractor must be used for improvements
- Other criteria will be used by First Choice Bank for each request for credit

Nothing herein constitutes a commitment to lend. If the request for credit is approved, the borrower(s) will be presented with loan documents. I look forward to doing business with you, and please keep in mind that First Choice Bank is a full service bank; we can assist with many financing needs.

Best regards,



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