

Reinventing Yourself with a Business Purpose Cash-Out Loan

Like many people Grady got hit hard by the Great Recession in 2008-2012. He owned his own business brokerage company where he helped Car Dealers buy and sell their Dealerships and Real Estate Holdings. Car Dealers suffered huge losses as uncertainty, and deleveraging pummeled Car Sales. Grady's brokerage business was severely impacted as many Car Dealers hunkered down to survive the economic malaise. Transactional buying and selling of Dealerships came to a grinding halt as did Grady's income and he was worried about his ability to provide for his wife and his 4 elementary school aged children. He worked harder than ever, cut expenses and staff, moved his business to a home office and more, but still had severe negative cash-flow every month and soon ran out of savings and started to have trouble meeting his monthly bills and obligations.



By 2012 Grady saw Car Dealers starting to recover. People were buying cars again and his clients wanted to make moves to capitalize on the economic rebound. Like a good businessman he wanted to expand his marketing and services to capture these brokerage opportunities. The problem was that Grady was out of money and had depleted all of his resources for cash.



The one thing Grady did have was equity in a beautiful home in Orange County, CA. He had purchased the home in 2000, with a 20% down payment, had improved the house and back yard and had enjoyed some appreciation in the early 2000's. Grady investigated Business Purpose Cash-Out 2nd Trust Deed to monetize the equity they had in the family home. He then made a strategic decision for his family and seized the opportunity to use the cash-out money to invest in his business.

Comparable Sales valued Grady's house at \$950,000. Grady's 1st Mortgage from the Bank was at \$338,000. With a 60% Combined Loan to Value (CLTV) Grady qualified for a \$235,000 Hard Money Business Purpose Cash Out 2nd Trust Deed. With this new Loan Grady had the resources to execute his new business plan and generate substantial income from Car Dealers buying new locations or moving existing facilities.

The smart and nimble, like Grady, embrace the changing landscape and reinvent themselves and their businesses. Whether it was the volatile Stock Market plummeting 40%, a job loss or a soured real estate investment, the Recession hit all of us hard. The question is what did you do to survive? How did you reinvent yourself?

If you need some cash to fund your reinvention, and you have equity in your home, consider a Cash-Out Business Purpose 2nd Trust Deed to fund your dreams and your resurgence. Please let me know with a post on our [Mortgage Vintage, Inc. Facebook Page](#) or our [Linked In Group page](#).