

## 7 Important Factors when Choosing a Hard Money Lender

Mortgage Brokers, Real Estate Investors and Borrowers should consider 7 factors when choosing their Hard Money Lender (HML):



1. **Experienced** – Make sure the HML is specialized in private/hard money lending. There are increasingly complex origination, servicing and investor relations regulations that need to be adhered to for compliance. Lenders who claim to handle all loans for all people will not have the processes or specific knowledge to originate the best loan possible. Additionally, an experienced HML will provide deal structuring guidance to facilitate a win/win scenario for all parties involved with the loan.
2. **Transparent:** All parties in a transaction should have web based access to relevant loan data during the origination process. Loan program guidelines should be published by the HML and adhered to. If an HML has “teaser” rates published, ask how to get those rates. Don’t let an HML “bait and switch” your loan scenario into a higher rate and point category without understanding why those “teaser” rates don’t apply.
3. **Licensed:** HML’s should be properly licensed with either the Department of Corporations or the Department of Real Estate. Additional National Mortgage Licensing System (NMLS) endorsements should also be in place for any HML originating consumer loans.
4. **Competitive Rates and Fees** - Well at MVI, you will get incredibly competitive rates and low fees. We’ll give you flexible terms. Most importantly we’ll give you and your borrower’s assurance that we’ll deliver what we tell you and we’ll deliver it fast.
5. **Reliability** - In today’s market where timing and reliability can make or break your deal. Where your reputation can be dramatically affected in the positive by having a company make you look like a hero when they perform, why take a chance with Lenders making promises that might or might not be able to keep.
6. **Fast** – Lenders should get back to you promptly. They should give you a commitment as to what they can do for you and your client immediately. Are you able to call or email your loan package at any time and know you can get a response back with terms immediately or within a few hours?
7. **Professional:** If a HML can’t do your loan they should tell you right away and tell you why. The HML should publish loan programs, not misleading advertising and should not change the terms at the last minute. Check the Website, LinkedIn, Facebook to make sure the HML exemplifies professionalism and consistency across their public image.

How are you choosing your Hard Money Lender? We would like to know. Please submit a post on our [Mortgage Vintage, Inc. Facebook Page](#) or our [LinkedIn Company page](#). If you enjoy discussions like this, please sign up for our [Linked in Group](#) called Southern California Trust Deed Investment Group.