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LOAN TERMS AND CONDITIONS

Introduction

Ace Capital Group, LLC specializes in Flexible Private Money Loans. Our loans are completely asset-based because we are concerned about the property for more flexibility. We are creative in our approach so there are no credit requirements.

We understand that a flexible and dependable financing partner is a key component to a successful real estate investment strategy. By delivering a flexible array of lending solutions in a quick, efficient, and client-focused process, we are committed to becoming your partner and growing your business to its full potential.

What Types of Loans Do We Offer?

Borrowed money can be used for many purposes, from funding a new business to buying a house. But with all of the different types of loans out there, which is best—and for what purpose?

Ace Capital Group, LLC offers a variety of loans that cuts across the various fields of need, enabling our consumers to purchase the loan that best suits their scenario.

Types of Loan

1. Fix and Flip/Rehab Loans
2. Construction Loans
3. Rental, Buy and Hold
4. Primary Residences
5. Refinance/Debt consolidation
6. Business Purchase/Start-up/Expansion
7. Personal loans
8. Second position Rehabs and Down Payments

To apply for a loan, each prospective borrower must complete the loan application in its entirety. Below are a few general requirements.

Interest Rate	6.25-15% (Case scenario)
Short Term Duration	Ranges from 6 to 24 months
Long Term Duration	30 Years amortized, 5 years balloon (Borrowers preference)
Time of Funding	5 to 7 Business days
Pre-Payment Penalties	NA
Loan Minimum	\$50,000
Loan Maximum	\$10,000,000
Repayment Option	Monthly Repayment, Interest Only or Amortized

For a successful underwriting process, the borrower must provide the following respected documents at the very least for each loan case:

Fix and Flip/Rehab

- Copy of state-issued ID or passport for residents and copy of passport for foreign nationals
- Detailed scope of work for rehab budget
- Entity Documentation (if applicable)
- Deed or Purchase contract if already executed
- Two consecutive months bank/account statements
- Appraisals or BPO if applicable

Construction to Permanent Mortgage Program

- Copy of state-issued ID or passport for residents and copy of passport for foreign nationals
- Deed for the lot/land
- Two consecutive month bank/account statements
- Purchase contract or HUD Statement (if applicable)
- Entity Documentation (if applicable)
- Budget and Project Scope Worksheet
- General Contractor/Builder's License (New Construction Only)

Approved Construction Type

Stick Built, Modular, Log, Panelized

Rental, Buy and Hold Loans

- Copy of state-issued ID
- Property financial docs (P&L statements and Rent roll)
- Lease agreement on current property
- Two consecutive month bank/account statements
- Articles of incorporation for borrowing entity
- Appraisals or BPO if applicable

Primary Residences

- Proof of Identity, Employer and income verification
- Proof of Residence
- Entity Documentation (if applicable)
- Two consecutive month bank/account statements
- Appraisals or BPO

Refinance Loan/Debt Consolidation

- Copy of state-issued ID or passport for residents and copy of passport for foreign nationals
- Two consecutive month bank/account statements
- Entity Documentation (if applicable)
- Copies of most recent year-to-date pay stubs documenting one full month of earning
- Seasoning Certification for all cash-out refinances paying off an existing VA loan

Business Start-up and Expansion

- Copy of state-issued ID or passport for residents and copy of passport for foreign nationals
- A good business plan
- Article of Organization
- Copies of two months' most recent consecutive bank statements
- Business Licenses and Permits

- Details of Your Other Debts
- Financial Statements
- Employer Identification Number (EIN)

Personal Loan

- Proof of Identity, Employer and income verification
- Paystubs, W-2s and 1099s
- State-issued bank statements
- Birth certificate

Proof of Residence

- Utility bill
- Lease or rental agreement
- Mortgage statement
- Proof of insurance on your home, lease/rental, or vehicle
- Property tax receipt
- Bank or credit card statement

General Structure for the Loan Program

The following sets out the rights and obligations between you and this firm:

- **Loan Duration**

Loan ranges from 6 months to 30 years in duration, this is a case by case scenario depending on the loan type and failure to pay back the loan within the expected date or period agreed upon and signed will result in legal actions taken against the borrower or collateral repossession.

- **Repayment**

You must repay the total amount of credit plus the interest charges by monthly, annual, or balloon repayments.

- **Security/Guarantee**

Any collateral such as the subject property or any other property that is owned by the borrower which you may have provided in order to borrow from us do not secure the loan unless specifically stated to do so, we will issue a policy bond against the property using the insurance company. The policy will state that if for any reason you fail to pay back the loan then the insurance comes after the property which will be used as the loan payment if we file a claim.

- **Costs**

Borrowers are subjected to a loan **Bond Fee** which will be used for the policy bond prior to the close. This is simply a payment protection insurance and it's refunded at the end of the loan duration. The Policy Bond is needed to be issued before the loan can be set aside for disbursement to the borrower's designated bank account or closing agent. The Loan Bond Fee is 2% to the loan amount.

The loan underwriting/processing cost is calculated case by case to be settled at closing and ranges from 0.5% - 1%.

- **Default**

- Having followed the terms of the Consumer Credit Code, 1995, and without affecting our right to demand repayment at any time, we may demand repayment or repossess the collateral if any of the following events (defaults) occur:
- If you fail to pay any money to "the lender" (Ace Capital Group, LLC) on the date it is due, and this failure lasts for more than 60 days after we have written to inform you that the amount is overdue.
- If you breach any of the terms and conditions of this agreement, and you do not rectify the situation within 30 days after we have written to instruct you to do so.

- If you or your guarantor pass away or take action that could lead to bankruptcy.
- If any information provided by you in the credit facility application was false, misleading, or inaccurate.
- **Change of circumstances and address**

You must tell us promptly if you change your residential or postal address or if you think there is any information that we should be aware of about your ability to comply with this contract.
- **Notices**

Any notice or demand given by "*the lender*" (*Ace Capital Group, LLC*) under this contract or required by law may be given at the address you have nominated for delivery of notices, or if no such address has been nominated by you, at your email address as last known to us. Any such notice or demand shall be deemed to have been received by you when it would have been delivered in the ordinary course of mail.
- **Assignment**

We may deal with, assign or transfer to any person or company any of our rights and interests under this contract.

Mortgage Process

The borrower will need to enter a loan application with us before processing can begin. After filling out the "loan application form", your details will be reviewed by our financial analyst, and then we will get back to you with the loan term sheet, and if suitable, we will start full processing.

- Application Form to be completed and duly signed.
- Supporting Documents to be sent, such as:
 - Valid IDs, Articles of incorporation, Specific loan supporting docs.
 - Proof of Residential Address, such as a utility bill, electricity bill, gas bill, water bill, or waste bill.
 - Bank Statement of account for the past 2 months (if applicable).
- Approval, Presentation and signing of formal loan documents.
- Bond Requirements to close.
- Settlement/Closing.

In completing the signing of the loan closing documents, the Lender would proceed with the Buyer/Seller preferred Title company for the final closing and disbursement of the loan proceeds. NOTE: The bond is required prior to the close.

Conclusion

This term sheet sets out the general guidelines of the loan program and is designed as an aid to prospective borrowers or other clients. This term sheet does not represent or imply a contract or an offer to lend funds. An offer to lend funds may only be made through a written commitment letter issued by the lender to a prospective borrower. This term sheet is subject to change at any time without notice at the sole discretion of the lender. Terms and conditions apply. This is not a commitment to lend.

We sincerely trust you will be satisfied with the terms, rates, and conditions of our loan programs. We can close real quick if all parties are ready for a quick turnaround time in the closing process.

If you have any questions you would like to ask, do not hesitate to do so in order to get a clear clarification. Kindly request for the loan application form upon your acceptance to these terms.

Executed as Terms and Conditions for,

ACE CAPITAL GROUP LLC.