

LETTER OF INTEREST AND PROOF OF FUNDING CAPABILITY

Date: _____

This is a letter of interest for _____, for the purpose of obtaining access to portfolios of bulk-discounted bank owned assets meeting the criteria below on behalf of the buyer listed above.

REO's: Total Amount of Purchase _____

- 1) That the seller is offering for sale bank owned assets at a discount of no less than _____, of current market valuation, or no less than _____ Off current BPO valuation.
- 2) That the assets are (circle preferred choice) Residential, commercial, Single Family, Condominium, or Multi Family assets.
- 3) That the assets are located in the United States.
- 4) That the Seller shall grant Purchaser access for inspections and appraisals.
- 5) That at the closing there will be no liens or encumbrances.
- 6) That the listing for any multi unit asset is for the entire asset.
- 7) That a clear title commitment will be presented at closing.
- 8) That all terms and conditions in the purchase agreement will be mutually agreed to.
- 9) That any asset not in compliance with these contingencies may be eliminated from the portfolio.
- 10) That the terms and details of this transaction will be considered propriety information.
- 11) That the Buyers purchase price is a percentage of the current market appraisal or BPO.
- 12) That a current "as is" market appraisal, pulled and paid for by the buyer will be within 5% of the BPO Balance Column presented in the spread sheets.
- 13) That the party presenting the package of assets has a signed and executed authorization letter from the owner of the assets verifying the pool can be offered by the offering party, and that one asset address is disclosed to verify concurrence with the authorizing entity and that that authorization is disclosed.
- 14) State pool location preference _____.
- 15) State composition preference, IE, condos, SFH _____.
- 16) State average per door price. _____.
- 17) Level of repair acceptable. _____.
- 18) State retail value of pool size. _____.

Purchase Capacity:

_____ asserts that using the following assets, it has the cumulative purchase capability on a one time or revolving monthly basis of _____

Available for cash transactions : \$ _____

Name of bank where cash assets are located _____

A. Name of bank officer for confirmation _____

Phone number of Bank officer for confirmation _____

B. Warehouse Line of Credit: \$ _____

Name of bank where line of credit is authorized: _____

Name of bank officer for confirmation _____

Phone number of Bank officer for confirmation _____

C. Traditional Financing: \$ _____

Name of Bank where credit line is authorized: _____

Name of bank officer for confirmation _____

Phone number of Bank officer for confirmation _____

Upon initial overview of offering, _____ will supply the seller with a letter of intent and escrow required funds to secure the portfolio considered and will provide verifiable POF, bank to bank or attorney to attorney.

Signed _____

Title _____

Subject: **CRITERIA FORM / LETTER OF INTENT**

Date: _____

Buyer: _____ Company: _____

To Whom It May Concern: _____

Please accept this "Criteria Form / Letter of Intent" to purchase. **The outline for the initial order is as follows:**

Purchase Order Amount: _____
(\$100,000, One Hundred Thousand Dollars)

Property Criteria: _____
(BULK REO PORTFOLIO; PERFORMING OR NON-PERFORMING NOTES)

Property type: _____
(SFR, MFR, QUAD / TRI / DUPLEXES, APT. & COMM., APTS, STRIP MALLS BLDGS., BUILDERS
CLOSEOUTS, CASINOS, HOTELS, ETC)

Price range per pool: _____
(\$5 MILLION to \$1 BILLION per pool packages)

LTV range: _____
(Percentage of discount requested from BPO or Fair Market Value (30% to 65% per pool)

Property price range: _____
\$50K to \$1M (Mid-West to East Coast) / \$200K to \$1M (Mid-West to West Coast)

Rehab Property: _____
(Price range of repairs: \$ 20 to \$60K; Minor OK and/or Major Rehabs up to \$100K in repairs OK)

Property Status: _____
("WHERE IS and/or AS IS"; property free of any liens, taxes, etc.)

Locations: _____
(Nationwide; Prefer a specific state and exception of cities within that state)

Frequency: _____
(Monthly, Quarterly, Bi-Annual, Annual Intervals)

Cash / Finance: _____
(Specify how the 10% to 15% deposit for REO List and open escrow and how the purchase will be made)

POF/Proof of funding: _____
(Name of funding source and contact data, and/or a letter from Atty., CPA, Bank, etc)

3rd Party/POF Contact: _____
Please give contact information for a third party that can verify proof of ability
(the bank will call them). It is best if you can provide a proof-of-funds letter now.

BANK QUESTIONNAIRE:

- Have you submitted a LOI for the purchase of REO portfolios to Banks or suppliers? _____
(Yes or No)
- What is your exit strategy (banks will want to know this)? _____
(Going buy, hold or flip)
- What is your experience? _____
(How long have you been investing in REO portfolios)
- Have you purchased bulk portfolios before? _____
(Yes or No)
- Are you prepared to do your due diligence (7days is typically allowed)? _____
(Yes or No)
- Can you put down between 2% - 15% percentage (soft) upon entering contract (please be aware that some lenders require deposit before pulling an order)? _____
(Yes or No)
- How quickly can you fund the balance after final acceptance? _____

We are looking to establish long term banking relationships and acquire quality properties at a volume discount. Please forward purchasing procedure documents as soon as possible or when possible.

Regards,

Signature: _____

Print Name: _____

Company: _____

Address: _____

City: _____

State: _____ Zip _____

Bus No.: _____

Fax No.: _____

Email: _____

Company's Website: _____