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private lending mortgages



PRIVATE LENDING MORTGAGES

http://ocfprivatelending.com/need_a_loan.htm

888 756 0666

Do You Need Private Lending Mortgages or Private Lending Financing?...

When ever you need to finance the purchase of real estate property (ies) through a private lending mortgage, you must first locate a private lender with an interest in your particular real estate venture. Private lenders are ordinary people who are willing and financially able to fund your property venture by means of their own assets. You can locate private lenders through our OCF Private Lending Services or by networking with others in the business, asking for referrals, or making a public presentation to a group of potential private money lenders. Assuming you have located the private mortgage lender, you will need to negotiate the terms of the private mortgage loan. Keep in mind that the private lender you choose can secure funds for you through a commercial institution or through personal assets such as bonds, stocks, or cash. You will want to negotiate terms that will present a win-win situation for both you and the lender.

Financing your real property deal through a private mortgage lender is not difficult however; it will involve some simple steps with documentation that will include a Promissory Note, Mortgage, Certificate of Insurance, and a Disclosure Statement. It is also a good idea to consider any federal or state security issues (SEC) which occasionally transpire through the private lending process.

The Promissory Note and the Mortgage document: The Promissory Note and the Mortgage document the terms you have agreed upon with the private mortgage lender. The Promissory Note explains in detail the terms in which the lender has agreed to fund your real estate venture as well as the terms you have agreed upon to borrow the money. The Mortgage outlines the terms of your performance as the borrower and generally is filed with your local county office by a title company, settling agent or an attorney to insure that the filing process is done correctly.

Certificate of Insurance: The Certificate of Insurance is obtained from the insurance agency of your choice and should be provided to your private mortgage lender. The property insurance should include a title to your lender and a title to you as the borrower. It should also outline the exact terms of coverage with regard to property type and causes of loss such as flood, basic, broad, special, or earthquake.

Disclosure Statement: Use of a Disclosure Statement is always a good idea in a real estate transaction due to the fact that investing involves uncertainty and risks. The Disclosure Statement will outline the risks to your private mortgage lender, as well as your plans for use of the property and any possibilities for change during the course of the transaction. This statement acts as assurance that both you and the lender are aware of the possible risks involved before you enter into the real estate transaction.

Federal Regulations: You will want to check the federal regulations as well as those for your particular state with regard to what is termed as issuing a Security. In many cases, when you work with a private mortgage lender, it is considered issuing a Security under SEC guidelines. To avoid any problems, he may need to register with your state or federal SEC if he does not fall under certain exemptions. Deciding to fund your real estate venture with a private mortgage lender is a relatively straightforward process and can open the door to diverse opportunities for future opportunities that would otherwise be complicated with conventional lenders.

Duration : **0:1:10**

[youtube riZ_L7cSixQ]

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