



## 6 Big Advantages for Real Estate Investors to utilize Hard Money Loans thru Investment Property Financing

### 1. **Fast funding so deals aren't missed out on**

Many properties, especially distressed properties, need to be put under contract and closed quickly. A good hard money lender can generally fund in 5-10 days. If there is a very urgent need to get the funds sooner the hard money lender may be able finance the deal even quicker.

### 2. **Getting an offer accepted over competing bids**

An offer on a property with hard money financing is stronger and increases the likelihood of being accepted when compared to an offer with traditional bank financing. An experienced seller (or experienced agent representing the seller) understands that hard money lenders are able to fund quickly and much less likely to encounter a last minute issue that would prevent them from funding the loan during escrow. Banks have a bad reputation for sometimes stumbling across some small detail about the deal that causes them not fund the loan.

### 3. **Negotiating lower purchase prices or other beneficial terms**

A property owner who needs to sell their property quickly will be more likely to negotiate with a buyer who can offer a quick close. This puts an investor into a position of power when they offer a quick close with a hard money loan. This can help the investor with negotiating a lower purchase price or other favorable terms.

#### 4. **Using leverage in order to do more deals**

Paying for a property with cash is a great strategy for getting an offer accepted at a better price and saving on lending costs. But paying all cash has its drawbacks as well. If too much of an investor's cash is tied up in one or two deals, they risk not being able to pull the trigger on a new opportunity that arises while the other deals are in progress. An offer with hard money loan allows an investor to provide a better offer than traditional financing while still keeping enough cash on hand to act on an opportunity that may be around the corner.

#### 5. **Pulling equity from existing properties to put it to work elsewhere**

While having a high amount of equity in a property is a positive thing, that money may be able to get higher returns if reinvested in a different project. A hard money lender can quickly process a hard money cash out loan for an investor. The funds can then be reinvested as a down payment on a new purchase or used to improve an existing property.

#### 6. **Obtaining financing when at the max for conventional loans**

Many banks allow an investor to have only four financed properties. Hard money lenders do not have these types of arbitrary restrictions. The hard money lender will be able to provide funding regardless of the amount of financed properties an investor has. The hard money lender will primarily be concerned with the amount of equity the investor will have in the new subject property.



We specialize in Hard Money Loans! [Please visit our website for more information!](#)

