

Commercial Fixed Advantage

Plan a longer commercial hold with a defined financing structure.

LONG-TERM INVESTMENT COMMERCIAL FINANCING

Who it is for

Investors seeking long-term financing for eligible investment commercial real estate rather than relying on repeated short-term refinancing. Confirm the property type, ownership and transaction purpose before treating a fixed-rate option as an established fit.

Ideal properties and transactions

An investment property with understandable operations and an ownership plan aligned with the proposed loan. Compare a current acquisition or refinance with the expected holding period, future capital needs and any planned sale or equity event. A stable payment should be evaluated alongside the full financing cost.

Credit, experience and liquidity

The flyer markets thirty-year fixed financing and up to ten years interest-only. Capacity is project-based, leverage property-based, credit subject to review and qualification based on cash flow. No universal loan amount, leverage ceiling, credit floor or coverage minimum is stated; the two structural features are not guaranteed together. Explain sponsor and management experience, other obligations and cash available after closing. Separate transaction funds, required reserves and your own operating cushion. Ask which verification requirements apply to the selected route.

BRING THE COMPLETE COMMERCIAL SCENARIO

Property + operations + value + requested loan + financing purpose

Subject to underwriting. Not a commitment to lend. Images are AI-generated and illustrative.

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Leverage and valuation framework

Separate accepted cost, as-is value and any prospective value supported by the approved structure. LTV compares debt with the lender's accepted value; LTC uses eligible transaction or project costs. Purchase, refinance and cash-out can have different limits. Account for existing liens, closing costs, holdbacks and reserves before estimating usable proceeds. Ask which constraint governs and how property use, condition and cash flow affect the final advance. Headline capacity is not a cash-to-close calculation. Request a sources-and-uses worksheet that separates the closing advance, any future funding and funds retained for reserves. For a refinance, distinguish the gross loan amount from cash remaining after payoffs and all transaction expenses.

Income and operating review

Reconcile leases, collections and recurring expenses and explain tenant concentrations and lease expirations. Ask how the selected structure measures debt service during and after an interest-only period. A lender's qualifying calculation should be compared with actual cash left after vacancy, management, repairs and capital costs.

Program structure and execution

Request the fixed period, amortization, maturity, interest-only conditions and payment after the interest-only period ends. Compare points, third-party charges, escrows, prepayment provisions and guarantees. Confirm whether the quoted rate applies for the entire contractual term rather than inferring the answer from the program name.

Property and location considerations

Confirm the legal property use, zoning, access, occupancy and insurance suitability. Identify tenant or operator concentration, deferred maintenance, major systems and any environmental or specialized-use concerns before ordering reports. The relevant property and operating approvals must be checked independently. Ask which conditions must be resolved before funding and verify state availability. A property's marketing category alone does not establish an eligible loan purpose or approved collateral. Identify who is responsible for maintenance, repairs and compliance under each lease or operating agreement. A tenant or operator obligation should still be reviewed for its practical effect on the collateral and the owner's cash needs.

Holding period, exits and stress tests

Set a holding period and compare the proposed loan with any planned sale, refinance or change in ownership. Model weaker income, a vacancy or operating disruption, higher expenses and an unexpected repair. Include financing and transaction costs when estimating the final outcome. Ask about maturity, prepayment, adjustment or extension provisions and guarantees. Future refinancing depends on then-current operations, condition, valuation and available lending terms, and is not guaranteed. If repayment depends on another lender, identify the performance and property conditions that takeout requires. Keep a contingency plan for additional holding time rather than treating a projected sale or refinance date as committed cash.

Documentation to prepare

Include leases, rent roll, the operating information requested for the selected route, current debt or purchase documents and the intended hold period. Ask for a payment schedule and any interest-only transition terms. Add ownership/entity records and the property, title and insurance information specified in the approved checklist. Provide sensitive identity and financial records through Karpata's secure process rather than in a public quote request. Explain unusual conditions and identify documents still pending.

Limitations and questions to resolve

All terms require borrower, credit, property and program approval and may not apply together. Confirm pricing, fees, reserves, guarantees, permitted use of proceeds and funding conditions in writing. Program descriptions and document alternatives are starting points for review rather than loan commitments. Educational preparation questions do not add undisclosed lender policy. This is eligible business-purpose real estate financing, not a consumer home mortgage. Final approved documents govern the transaction.

LET'S REVIEW YOUR NEXT COMMERCIAL PROPERTY

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