

Restaurant Property Advantage

Finance eligible restaurant and bar real estate.

RESTAURANT / BAR REAL ESTATE | PURCHASE, REFINANCE, CASH-OUT

Who it is for

Investors purchasing, refinancing or seeking cash-out on eligible restaurant or bar property through a small-balance commercial route. Identify whether the building is tenant-occupied or owner-operated so Karpata can distinguish the real estate request from the operating business.

Ideal properties and transactions

An eligible food-and-beverage property with a clear occupancy and repayment story. Separate the purchase of land and building from equipment, inventory, business goodwill or licenses. The source describes real estate financing and does not establish financing for every business-acquisition component.

Credit, experience and liquidity

Capacity is project-based and leverage property-based in the flyer. Credit requires review and qualification considers cash flow. No numeric loan maximum, credit minimum or leverage cap is published; restaurant or bar eligibility still depends on the complete transaction. 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.

Restaurant Property Advantage | Planning guide

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

For an investment property, explain lease income, tenant responsibility for costs, remaining term and the operator's occupancy. For an owner-operated request, disclose that structure and ask which business-income information applies. Do not assume property rent and gross restaurant sales are interchangeable qualifying measures.

Program structure and execution

Confirm zoning, permitted restaurant/bar use, access, parking, insurance and any property conditions relevant to funding. Discuss kitchen infrastructure and the ownership of fixtures and equipment. Lender approval does not itself establish that operating approvals transfer with a real estate transaction.

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

Provide the property description, purchase or refinance purpose, leases where applicable, ownership structure, current debt and the operating information requested for the selected lane. Identify equipment and business assets separately from the real estate value. 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

Request a quote | KarpataFinance.com | 480-846-1001

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