

Crescent Lenders Helps Fund \$3.8 Million Dollar Real Estate Purchase

Crescent Lenders, a Los Angeles based bridge lender, recently helped fund the purchase of a collection of multi-family style units in Montebello, California.

MONTEBELLO, CALIFORNIA, USA, June 11, 2020 /EINPresswire.com/ -- About the Deal

The purchase price was \$3.8 million dollars and [Crescent Lenders](#) took a 1st Trust Deed position with a \$2.5 million dollar hard money loan.

This translates into a 66% loan to value ratio and comes with an 8.75% interest only (fixed rate).

The purchase financing has a 12 month term and 4 month pre-payment penalty.

Additionally, there will be a 2nd Trust Deed for \$380,000 behind Crescent Lender's 1st Trust Deed position.

This provides Crescent Lender's investors with more protection.

Another lender took a 3rd Trust Deed position for \$350,000, which will be due in 4 months once the borrower sells the other property.

Both the the 2nd and 3rd Trust Deed positions will have 4 months pre-paid interest.

This further protects Crescent Lenders' investors because it ensures the borrower is solvent for at least 33% of the loans duration.



Crescent Lenders - An Asset Based Real Estate Lender

About the Property

The subject property is well located in the strong rental demand market of Montebello, California.

The subject property has a nice blend of units, comprised of:

- 3 bedrooms, 2 bathrooms
- 1 bedroom, 1 bathroom
- 2 bedrooms, 1 bathroom

The constructed area of the property is 12,414 square feet and sits on a 40,700 square foot lot with on-site parking for the tenants.

The multi-family style bungalows are currently all in fair condition and cash flowing with a net rental income of \$22,416 per month.

With strong annual net income of \$269,000 the property's capitalization rate is slightly over 7%.

Based upon this cash flow, Crescent Lenders is confident in the borrower's ability to service their debt obligations.

The borrower's investment strategy is that if an individual bungalow becomes vacant, a light remodel will take place before raising the rent and therefore the value of the property.

In the future this will allow the borrower to obtain lower and longer term traditional bank financing.

This is a well known real estate investment strategy otherwise known as [The BRRRR Method](#).

About the Borrower

Crescent Lenders has a great relationship with the borrower and has arranged loans over the last 4 to 5 years.

The borrower has a very good track record and has also demonstrated a keen ability to acquire and resell for a profit.

About Montebello

With a population of 62,000 people, Montebello is centrally located in LA County and only a 20 minute drive to some of LA's most famous landmarks including Disneyland, Universal Studios, Hollywood, Knott's Berry Farm, Los Angeles Staples Center and Los Angeles Convention Center.

About Crescent Lenders

Crescent Lender's is a collateral based bridge lender located in LA County.

Over the last 12 years they have assisted hundreds of real estate investors to obtain funding for various types of real estate projects including but not limited to, Fix and Flips, 1031 Exchanges, Purchases, Refinancing and Cash-Outs.

If you are looking for a [hard money loan in Los Angeles County](#) then check us out online.

Russell Barneson

Crescent Lenders

+1 213-474-3131

[email us here](#)

Visit us on social media:

[LinkedIn](#)

This press release can be viewed online at: <https://www.einpresswire.com/article/519135763>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2020 IPD Group, Inc. All Right Reserved.