A DBA OF CIRCLE ONE PROPERTY MANAGEMENT LLC

sean@circleonepm.com | (330) 902-1300 | circleonepm.com/financing

Terms and Conditions Acknowledgment

This document serves as a **sample** of the terms and conditions structure used when Circle One Consulting introduces a borrower to a lending partner. **Circle One Consulting is a broker/introducer, not the lender.** Final financial terms are issued directly by the funding lender after their own underwriting review and are not set by Circle One Consulting.

Our Role

1. We intake the borrower's loan request via our secure financing form at circleonepm.com/financing.

2. We route the file to a lending partner whose loan product fits the deal type (hard money, bridge, DSCR, conventional, FHA, VA).

3. We facilitate document exchange between the borrower and the lender.

4. We do **not** set interest rates, loan amounts, fees, LTV/LTP requirements, or closing conditions — those are set exclusively by the lender.

Terms shown on any Circle One Consulting term sheet are provisional and reflect what the lending partner has quoted based on the borrower's initial disclosures. Final terms are subject to:

- Full lender underwriting
- Property appraisal
- Verification of borrower income, credit, and asset documentation
- Market conditions at time of funding

Broker Disclosure. Circle One Consulting earns compensation solely through the **Consultation Fee** disclosed on Page 4. We receive no undisclosed compensation from any lender. All other fees on the term sheet are collected by and paid to the funding lender.

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Borrower Responsibilities

The borrower acknowledges and agrees:

1. It is the borrower's responsibility to thoroughly review the provided term sheet and understand the terms outlined therein.

2. The borrower agrees to provide any additional documentation or financial information required for underwriting, whether from Circle One Consulting's intake stage or from the lender's underwriting team.

3. The borrower accepts that any adjustments arising from lender underwriting will be communicated as promptly as possible.

Final Adjustments at Closing

As part of the closing process, certain financial adjustments may be applied by the lender or title company, which could include but are not limited to:

- Prorated taxes or insurance premiums
- Closing costs and legal fees
- Loan-specific fees or required reserves

Circle One Consulting is available to answer general questions about the process but cannot alter or negotiate the lender's final terms. Please direct all binding term questions to the lender identified in your term sheet.

Communication & Timeline Expectations

Most files close within 15–30 business days from provisional approval, depending on the lender's appraisal turnaround, title work, and completeness of borrower documentation. Circle One Consulting will keep the borrower informed at each milestone and will escalate any lender delays on the borrower's behalf.

Confidentiality

All borrower information collected via Circle One Consulting's intake form is transmitted only to the funding lender selected for the transaction. We do not sell, share, or market borrower data to third parties.

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Construction Holdback & Reimbursement Model

1. What is a Construction Holdback?

The construction holdback is a portion of the total approved loan amount reserved specifically for property renovations, repairs, or improvements. Instead of releasing all funds at closing, these rehab funds are held back to ensure they are used solely for the intended construction work.

- **Purpose:** Ensures funds are available to complete the agreed-upon work.
- **Amount:** Determined during loan approval based on contractor bids, scope of work, and appraisal requirements.
- **Release:** Funds are disbursed in stages (draws) as construction progresses and work is verified.

2. How the Reimbursement Model Works

Our lending partners typically use a reimbursement model:

1. Borrower Initiates Work. The borrower uses their own funds (or contractor credit) to begin and complete a portion of the project.

2. Draw Request to Lender. Once work is completed, the borrower submits a draw request directly to **[Lender Name — Sample]**, along with all required documentation such as invoices, receipts, and photos of the completed work.

3. Inspection & Verification. An inspector or project manager verifies that the work completed matches the approved scope of work.

4. Funds Released. Upon approval, **[Lender Name — Sample]** reimburses the borrower from the holdback funds for the verified completed work.

Example. Approved holdback: **$50,000**. First phase completed: **$15,000** worth of work. Once verified, the borrower is reimbursed **$15,000** from the holdback balance. Remaining holdback available for future draws: **$35,000**.

Important Notes

- All work must align with the approved scope to qualify for reimbursement.
- Multiple draw requests can be made until the full holdback amount is released.
- If Better Built Ohio is the contractor executing the scope, Circle One Consulting can coordinate the draw paperwork on your behalf as a courtesy service.
- Interest accrues only on funds that have been disbursed — not on the undrawn holdback balance.

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Loan Term Sheet

Property Address:	123 Sample Ave, Cleveland, OH 44108
Sales Representative:	Sean Fancher (Circle One Consulting)
Referred Lender:	[Lender Name — Sample]
Date:	SAMPLE
To:	SAMPLE BORROWER LLC (Attn: Jane Investor)
Borrower Entity:	SAMPLE BORROWER LLC

Congratulations on your provisional approval for financing through [Lender Name — Sample], introduced by Circle One Consulting. Below are the preliminary terms as quoted by the lender:

Line Item	Amount
Initiation Fee (due to lender to lock terms)	$2,850.00
Total Loan Amount	**$75,000.00**
— Funds Released at Closing for Purchase	$50,000.00
— Construction Holdback	$25,000.00
Interest Rate	15.00%
Term of Loan	12 months
Monthly Payment	$937.50
Consultation Fee (Circle One Consulting)	$1,500.00
Underwriting Fee (Lender)	$795.00
Servicing Fee (Lender)	$600.00
Processing Fee (Lender)	—
Doc Fee (Lender)	—

Circle One Consulting's role in this transaction: brokered the introduction between borrower and lender. The Consultation Fee above is the only fee paid to Circle One Consulting; all other fees are collected by the lender.

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Acceptance, Disclaimers & Wire Instructions

YOU MAY BE REQUIRED TO BRING MONEY TO CLOSE YOUR TRANSACTION DEPENDING ON YOUR APPROVED LOAN STRUCTURE.

No Prepayment Penalty (typical): Most of our lending partners do not charge prepayment penalties. Confirm this in writing on your final lender-issued term sheet before signing.

Please review the terms outlined in this document carefully. **The terms above are subject to change based on the lender's final underwriting review.** By signing below, the borrower acknowledges receipt of this preliminary term sheet and understands that:

1. **Circle One Consulting is a broker/introducer, not the lender.** Final terms and any binding commitment come directly from [Lender Name — Sample].
2. Circle One Consulting's only fee in this transaction is the **Consultation Fee** listed on page 4, disclosed upfront. We receive no undisclosed compensation from the lender.
3. The **Initiation Fee** (if any) is paid to the lender to lock provisional terms, and is generally non-refundable per the lender's policies.
4. Normal closing costs will be paid at closing by the lender/title company and are not included in the amounts above. Interest accrues only on funds that have been disbursed.

To move forward: please return a signed copy of this term sheet as acknowledgment. **The lender will then contact you directly to issue the final binding term sheet and loan commitment letter.**

Acceptance

Borrower Signature: ______________________________ **Date:** ____________________

Print Name: ______________________________

Entity (if applicable): ______________________________

Payment / Wire Instructions

Wire and ACH instructions for the **Consultation Fee** will be provided by Circle One Consulting upon signed acceptance. Wire instructions for the loan-specific fees (Initiation, Underwriting, Servicing, Processing, Doc) will be provided directly by **[Lender Name — Sample]**.

Never wire funds without verifying instructions by phone with a known Circle One Consulting representative or the named lender. Wire fraud is common in real estate — a 30-second phone verification prevents six-figure losses.

Questions? Circle One Consulting | Sean Fancher | sean@circleonepm.com | (330) 902-1300 | circleonepm.com/financing

Thank you for choosing Circle One Consulting as your financing broker.