

## Private/Hard Money Lending

Join us Tuesday, April 7th as we host guest speaker, Yoav Gilad who has built a career by making mistakes. The first pure rental he bought turned into a red-light establishment. The first loan he wrote, predictably, went bad. And the first FOUR syndications he bought into have become raging dumpster fires. Pass the gasoline! Fortunately, he's also learned from those errors.

Yoav has persevered and become CEO and co-founder of the successful private/hard money lending business, Green Block Inc. Working full-time in real estate since 2017, he has also participated in hundreds of real estate investment deals and syndications as buyer, seller, or lender.

Yoav holds a BA in Economics from University of Maryland, and a BS in Transportation Design from Art Center College of Design. He formerly ran content as Digital Managing Editor for Hagerty and Petrolicious. And threatens daily to quit the lending biz to go play with cars again. His passions are his family, friends, music, and, obviously, cars.

### Meeting Details:

 Tuesday, April 7th

 Networking: 5:30 PM

 Meeting: 6:00 PM - 8:00 PM

 Leon's Family Dining, 23830 Michigan Ave., Dearborn, MI

 Members FREE | Guests \$20 | Dinner at Your Own Expense



New to Our Group? Guests welcome! For \$20, network with active investors, learn proven strategies, and discover if REIA Wayne County is right for your real estate journey.

Questions? Contact President Koehler, 1-313-819-0919

# FEATURED ARTICLES

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## What is Private/Hard Money Lending

A private/hard money lending business provides short-term, asset-based loans—typically secured by real estate—to investors, offering fast funding (24–72 hours) for fix-and-flips or construction, usually at 8%–15%+ interest rates. These lenders focus on the property's equity (often 60–75% LTV) rather than borrower credit, utilizing LLC structures, promissory notes, and deeds of trust for security.

### Key Aspects of a Hard Money Lending Business

- **Target Market:** Real estate investors (fix-and-flip, BRRRR method, developers) needing speed and flexibility.
- **Loan Characteristics:** Short terms (typically 6–24 months), higher interest rates (8%–15%+), and high origination fees (1%–5%).
- **Security:** Loans are secured by the property (1st lien position) and often include personal guarantees.
- **Regulatory Compliance:** Lenders must comply with state-specific regulations, such as licensing for mortgage lending, and ensure compliance with usury laws.

### Differences: Hard Money vs. Private Money

- **Hard Money Lender:** Often a company or investment fund with formal, high-cost, fast-closing processes.
- **Private Money Lender:** Often individuals (family, friends, high-net-worth individuals) offering more flexible, sometimes lower-cost, loans based on personal trust

### How to Start a Hard Money Lending Business

1. **Form an Entity:** Establish an LLC or Corporation to hold the notes. Many use a separate "holding" LLC to lend money to the operating entity to protect assets.
2. **Ensure Compliance:** Research state-specific licensing requirements for private money lenders to avoid penalties.
3. **Secure Capital:** Gather funds from private investors, personal savings, or create a syndication.
4. **Set Underwriting Standards:** Define your lending criteria, such as maximum LTV (loan-to-value) ratios (commonly 65%–70%) and loan types.
5. **Documentation:** Use proper documentation, including Promissory Notes, Deeds of Trust, and Personal Guarantees for all deals.
6. **Mitigate Risk:** Hire a real estate attorney to handle loan documentation and ensure compliance with usury laws and Dodd-Frank acts (if applicable).



# Meetings

## **REIA of Wayne County**

Meets 1st Tuesday of the month  
Location: Leons Family Dining 23830 Michigan Ave., Dearborn  
Time: 5:30 PM  
Call Wayde Koehler at 313-819-0919 for more details

## **Oakland REIA**

Meets 2nd Thursday of the month  
Location: Troy Community Center in meeting room  
Time: 6:00 PM  
Call Brian Sullivan at 248 327-0588 for details

## **Metro Detroit Investors Meet-Up**

Meets 4th Thursday of the month  
Location: McVee's Pub & Grub  
1129 Long Lake Rd., Troy  
Time: 6:30 PM

## **Pontiac Landlord Group**

Meets 1st Thursday of the month  
Location: Fino's 450 Perry St., Pontiac  
Time: 6:00 PM  
Call Ken Moses 248-672-9699 for more details

## **Monroe County Landlord Association**

Meets 4th Thursday Location: Quatro's on Telegraph Rd. Time: 6:00 PM  
Call Debbie Peters at 734-457-5086

## **Jackson Area Landlord Association**

Meets 4th Monday of the month  
Location: The Napoleon Café, 6816 W. Brooklyn Rd.



## **R.E.I.A. of Wayne County Board Meeting**

Join us for the Board of Directors meeting on Tuesday, April 14th at 6:00 PM.

Location: TBD

## **Volunteer Board Members Contact Information**

Wayde Koehler.....313.819.0919.....housemgt@comcast.net  
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Jeremy Paul.....734.770.1455.....pauljer9my@gmail.com  
Jerry Kirschner.....248.867.0744.....gkirsch888@aol.com  
Liz Walker.....313.443.8505.....beneficialinvestments@gmail.com  
Dave Moody.....734.362.3328.....dave@rrepros.com

# Contractors

**Note: REIA of Wayne does not support or make any recommendations regarding contractors. It is up to you to do your due diligence when hiring any contractor. This is for information purposes only.**

## Appliance Repair

Keith Devoy Appliance Repair.....313 689-2446

## Concrete

Nelson Concrete..... 313 212-3927

Asphalt repair, seal, top..... 248 818-5149

## Construction/Remodeling

Ideal Home Improvement.....734 624-3454

Ishtar Construction.....313 720-3556

## Electrician

King Billy's LLC.....313 333-6467

Haddix Electric Co.....313 386-7299

## Handyman

American Skilled Svc.....313 264-9579

Handyman Service Plus.....313 242-7372

## Pest Control Service

Stop Pest Control.....313 914-2981

## Plumbing

Waterwork Plumbing.....248 542-8022

Bennies Plumbing.....313 388-5561

Shaw's Plumbing.....313 285-4361

## Roofing

Jeff Williams Roofing.....734 341-3843

Kanga-Roof.....586 276-7614

## Heating and Cooling

Main Heating and Cooling.....248 650-8511

Mega Rooter H & C.....313 254-3529

Expert Heating and Cooling...734 672-1818

## Lawn Service

J & A Lawn Svc (Jason).....727 906-7958

Classic Cuts (Liz).....313 989-8713

## Locksmith

American Lock & Key.....734 281-1454

## Painting

Diamond Painting.....248 935-4514

Dante's Painting (Edmond).....586 610-1812

Sergio Guerrero.....313 282-9119

Ishtar Construction & Painting...313 720-3556

## Tub Reglaze

Surface Solutions.....734 455-0200

TNT Refinishing.....810 358-0744

Michigan Tub Refinishing.....313 304-9639

## Tree Trimming/Removal

Juan's Tree Service.....301 804-7504

Paul Harris-Tree Trimming.....734 775-6974



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