APEX COMMERCIAL FUNDING

Funding Programs & Basic Qualification Guidelines

Commercial Real Estate • Business Funding • Transactional Funding • Private Credit • Structured Capital

Apex Commercial Funding provides access to a broad range of business-purpose and commercial financing solutions. Every transaction is reviewed based on the strength of the borrower, cash flow, collateral, leverage, liquidity, documentation, and repayment or exit strategy.

The guidelines below are intended as a **basic prequalification guide**. Final loan amounts, leverage, rates, terms, credit requirements, documentation, and approval criteria vary by lender, transaction, property type, state, and overall risk profile.

COMMERCIAL REAL ESTATE FINANCING

Fix & Flip Loans

Best For: Investors purchasing and renovating residential investment properties for resale or refinance.

Basic Guidelines

- Investment/business-purpose properties
- Purchase contract required
- Rehab scope and budget required
- As-is value and after-repair value considered
- Borrower experience reviewed
- Liquidity for closing costs, reserves, and possible overruns
- Credit profile reviewed
- Clear sale or refinance exit strategy required
- Loan sizing based on purchase price, project cost, value, and ARV

Ground-Up Construction Loans

Best For: Investors and developers building new residential or commercial projects.

Basic Guidelines

- Land ownership or purchase contract
- Detailed construction budget

- Plans and specifications
- Permits/entitlements as required
- Contractor information
- Borrower/developer experience
- Required borrower equity
- Construction contingency
- Draw schedule and inspection process
- Market-supported completed value
- Clear sale, lease-up, or refinance exit strategy

Commercial Construction Loans

Best For: Commercial buildings, multifamily, mixed-use, industrial, retail, hospitality, and specialty projects.

Basic Guidelines

- Detailed sources and uses
- Land and project-cost verification
- Hard and soft construction costs
- Contingency reserves
- Sponsor equity
- Contractor qualifications
- Project feasibility
- Draw controls
- Market demand analysis
- Construction completion plan
- Permanent financing or sale exit

Bridge Loans

Best For: Acquisitions, quick closings, lease-up, stabilization, renovation, or transitional properties.

Basic Guidelines

- Strong collateral position
- As-is and stabilized value reviewed
- Business-purpose transaction
- Clear use of proceeds
- Borrower liquidity
- Property-level cash flow when applicable
- Defined stabilization plan
- Clear refinance or sale exit
- Existing liens and payoff requirements reviewed

Hard Money / Private Money Loans

Best For: Time-sensitive or asset-driven transactions that may not fit conventional lending.

Basic Guidelines

- Primary focus on collateral and exit strategy
- Business-purpose use
- Property value verification
- Acceptable lien position
- Borrower equity
- Liquidity/reserves
- Defined loan payoff strategy
- Title and closing verification
- Credit issues may be considered depending on the overall transaction

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DSCR Rental Loans

Best For: Investors purchasing or refinancing rental properties based primarily on property cash flow.

Basic Guidelines

- Non-owner-occupied investment property
- Market rent or lease documentation
- Property income must reasonably support debt service
- Taxes, insurance, vacancy, management, repairs, and other expenses considered
- Property value verified
- Credit profile reviewed
- Reserves may be required
- Purchase, rate-and-term refinance, and cash-out scenarios considered

Primary Metric:
DSCR = Net Operating Income ÷ Debt Service

Multifamily Financing

Best For: Apartment and multifamily investment properties.

Basic Guidelines

- Current rent roll
- Historical property operating statements
- Occupancy reviewed
- Normalized operating expenses
- Net operating income analysis

- DSCR analysis
- Property valuation
- Borrower liquidity/net worth
- Tenant concentration and lease quality when applicable
- Purchase, refinance, bridge, and renovation programs available depending on the transaction

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Commercial Mortgage Loans

Property Types May Include

- Multifamily
- Mixed-use
- Office
- Retail
- Industrial
- Warehouse
- Self-storage
- Hospitality
- Specialty-use properties
- Other income-producing commercial real estate

Basic Guidelines

- Property value and condition
- Income and operating expenses
- Net operating income
- Debt-service coverage
- Loan-to-value
- Borrower/sponsor liquidity
- Credit history
- Existing liens
- Property and market condition
- Clear repayment source

Permanent Commercial Refinance

Best For: Stabilized commercial properties seeking longer-term financing.

Basic Guidelines

- Stabilized occupancy
- Demonstrated operating history
- Reliable NOI
- Acceptable DSCR
- Current rent roll and leases when applicable

- Property valuation
- Existing mortgage payoff
- Borrower liquidity
- Credit and financial review

Commercial Cash-Out Refinance

Best For: Property owners seeking to access equity for business-purpose uses.

Basic Guidelines

- Sufficient property equity
- Current property valuation
- Existing debt verified
- Property must support proposed debt service when income-based
- Acceptable business-purpose use of proceeds
- Credit and liquidity review
- Cash-out amount subject to lender leverage limits

Major Redevelopment / Value-Add Financing

Best For: Major renovation, repositioning, conversion, or redevelopment projects.

Basic Guidelines

- Acquisition or ownership documentation
- Detailed redevelopment budget
- Sponsor equity
- Construction experience
- Plans and approvals
- Market feasibility
- Stabilized value analysis
- Contingency reserves
- Draw controls
- Clear completion and exit strategy

Land & Land Development Financing

Best For: Acquisition, entitlement, infrastructure, and development of commercial or residential land.

Basic Guidelines

- Land value

- Purchase price/basis
- Zoning and entitlement status
- Development plans
- Infrastructure requirements
- Sponsor experience
- Borrower equity
- Market feasibility
- Development budget
- Clear construction, sale, or refinance exit

Hospitality & Resort Financing

Best For: Hotels, motels, resorts, and hospitality projects.

Basic Guidelines

- Historical or projected operating performance
- Occupancy and average-rate data when applicable
- Property valuation
- Sponsor/operator experience
- Renovation or improvement plans
- Liquidity
- Debt-service capacity
- Market demand
- Franchise or management agreements when applicable
- Clear exit or permanent financing plan

BUSINESS FUNDING

Business Lines of Credit

Best For: Working capital, inventory, payroll, growth, or short-term operating needs.

Basic Guidelines

- Established operating business
- Consistent business revenue
- Business bank statements
- Deposit activity reviewed
- Existing debt obligations reviewed
- Credit profile considered
- NSF/overdraft activity reviewed
- Requested line should be reasonable relative to revenue and cash flow

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Conventional Business Loans

Best For: Expansion, acquisitions, working capital, improvements, and general business-purpose financing.

Basic Guidelines

- Operating history
- Historical revenue
- Business financial statements
- Bank statements
- Tax returns may be required
- Debt-service capacity
- Business and guarantor credit review
- Existing debt reviewed
- Clear use of proceeds

SBA Loans

Best For: Business acquisitions, owner-occupied real estate, equipment, expansion, and eligible business purposes.

Basic Guidelines

- Eligible operating business
- Demonstrated ability to repay
- Acceptable use of proceeds
- Financial statements and tax returns
- Business and personal credit review
- Borrower equity may be required
- Collateral reviewed when applicable
- SBA and participating-lender eligibility requirements apply

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Revenue-Based Financing

Best For: Businesses with established recurring or consistent monthly revenue.

Basic Guidelines

- Consistent revenue
- Business bank statements
- Deposit history
- Cash-flow review
- Existing financing obligations
- NSF/overdraft activity

- Requested funding relative to monthly revenue
- Repayment structure must fit operating cash flow

Merchant Cash Advance

Best For: Businesses needing short-term capital based primarily on business revenue.

Basic Guidelines

- Established monthly deposits
- Business bank statements
- Revenue consistency
- Existing MCA or daily/weekly obligations reviewed
- Cash-flow volatility reviewed
- Negative banking events considered
- Funding amount based largely on business revenue and repayment capacity

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Equipment Financing

Best For: Vehicles, machinery, technology, medical equipment, construction equipment, and other business assets.

Basic Guidelines

- Equipment invoice or purchase order
- Equipment description and value
- Business revenue
- Business operating history
- Credit profile
- Down payment may be required
- Equipment generally serves as collateral
- Used-equipment financing subject to age, condition, and valuation

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RECEIVABLE & ASSET-BASED FINANCING

Invoice Factoring

Best For: Businesses with outstanding B2B or eligible B2G invoices.

Basic Guidelines

- Valid invoices for completed goods/services

- Creditworthy customers/debtors
- Accounts-receivable aging
- Invoice verification
- Concentration review
- Dilution, disputes, returns, credits, and chargebacks reviewed
- Existing liens/UCC filings reviewed
- Customer payment history considered

Accounts Receivable Financing

Best For: Businesses seeking a revolving facility secured by receivables.

Basic Guidelines

- Eligible accounts receivable
- AR aging report
- Customer concentration review
- Debtor credit quality
- Borrowing-base calculation
- Existing liens reviewed
- Invoice verification
- Ongoing reporting generally required

Asset-Based Lending

Best For: Businesses with meaningful receivables, inventory, equipment, or other eligible business assets.

Basic Guidelines

- Eligible collateral
- AR/inventory/equipment reporting
- Collateral valuation
- Advance-rate analysis
- Existing liens/UCC filings
- Business financials
- Bank statements
- Borrowing-base availability
- Cash-control requirements may apply

Purchase Order Financing

Best For: Businesses needing capital to fulfill confirmed customer orders.

Basic Guidelines

- Valid purchase order
- Creditworthy end customer
- Reliable supplier
- Sufficient transaction margin
- Cost-to-fulfill analysis
- Customer payment terms
- Supplier verification
- Clear repayment directly from completed transaction

Trade Finance

Best For: Domestic or international purchasing, inventory, supplier payments, and trade transactions.

Basic Guidelines

- Purchase documentation
- Supplier verification
- End buyer/customer
- Transaction margin
- Shipping/logistics documentation where applicable
- Repayment source
- Trade and counterparty risk reviewed
- Transaction structure must support lender controls

GOVERNMENT CONTRACT FINANCING

Government Contract Financing

Best For: Government contractors needing working capital against awarded contracts or receivables.

Basic Guidelines

- Executed government contract or award
- Prime/subcontractor status identified
- Contracting agency reviewed
- Period of performance
- Funded backlog
- Invoice/payment history
- Accounts-receivable aging
- Customer concentration
- Assignment/payment restrictions reviewed
- Existing liens and financing reviewed

TRANSACTIONAL REAL ESTATE FUNDING

Double Close / Transactional Funding

Best For: Real estate investors and wholesalers completing an A-B / B-C double closing.

Basic Guidelines

- Executed A-B contract
- Executed B-C contract
- B-C sale amount must support the A-B purchase and transaction costs
- Contracts must align
- Title company must approve the double-close structure
- Title must agree to required funding and disbursement procedures
- A-B and B-C settlement statements reviewed
- End-buyer funds and closing documents must be verified as required
- Wire instructions independently confirmed
- Written title-company confirmation required before funding
- Clear same-day or transaction-specific payoff of Apex funds

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Earnest Money Deposit — EMD Funding

Best For: Investors needing capital for a contractual earnest-money deposit.

Basic Guidelines

- Executed purchase agreement
- EMD amount verified
- Inspection and closing dates reviewed
- Title/escrow company involvement
- Required funding agreements executed
- Disbursement acknowledgement
- Mutual-release protections when required
- Wire instructions independently confirmed
- Closing settlement statement reviewed
- Defined repayment or release mechanism

Stack Method / Down-Payment Funding

Best For: Qualified transactions where Apex provides a portion of required acquisition/down-payment capital alongside a primary lender.

Basic Guidelines

- Executed purchase agreement
- Primary financing identified
- Primary lender must be informed of the funding structure
- Primary lender must confirm whether third-party funds are acceptable
- Source-of-funds requirements must be satisfied
- Seasoning requirements must be confirmed
- Required agreements between borrower and funding partner completed
- Title company must cooperate with funding instructions
- Irrevocable instructions may be required
- Final structure subject to primary lender and title approval

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STRUCTURED & PRIVATE CAPITAL

Private Credit

Best For: Transactions requiring customized financing outside conventional bank parameters.

Basic Guidelines

- Clear use of proceeds
- Identifiable repayment source
- Financial statements
- Sponsor/borrower liquidity
- Collateral when applicable
- Existing debt and capital stack
- Downside protection
- Appropriate covenants and structural protections
- Defined exit strategy

Mezzanine Financing

Best For: Transactions needing capital above the senior-debt layer.

Basic Guidelines

- Senior financing identified
- Strong project/business economics
- Sponsor equity
- Demonstrated repayment capacity
- Clear intercreditor structure
- Defined exit
- Higher-risk layer requires enhanced return and structural protections

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Preferred Equity

Best For: Real estate or business transactions needing additional capital without traditional subordinate debt.

Basic Guidelines

- Strong underlying transaction
- Sponsor equity
- Defined distribution waterfall
- Preferred return structure
- Governance/control rights
- Exit strategy
- Senior lender approval where required

Joint Venture Equity

Best For: Sponsors seeking an equity partner for acquisitions, developments, or large projects.

Basic Guidelines

- Experienced sponsor
- Meaningful sponsor investment
- Clear business plan
- Detailed sources and uses
- Projected returns
- Defined ownership structure
- Distribution waterfall
- Reporting requirements
- Clear exit strategy

Syndicated Credit Facilities

Best For: Larger commercial transactions requiring multiple lenders or capital providers.

Basic Guidelines

- Institutional-quality financial reporting
- Significant borrowing need
- Proven repayment capacity
- Defined collateral package when applicable
- Strong management/sponsor
- Detailed due diligence

• Lead lender/agent structure
• Covenants and reporting requirements

Warehouse Lines & Credit Facilities

Best For: Finance companies, lenders, originators, and businesses requiring recurring capital capacity.

Basic Guidelines

• Proven operating history
• Quality underlying assets/receivables
• Portfolio performance data
• Borrowing-base reporting
• Strong servicing and controls
• Adequate equity
• Historical financials
• Portfolio concentration analysis
• Ongoing reporting and monitoring

Institutional Equity / Family Office Capital

Best For: Larger real estate developments, operating companies, acquisitions, and specialty investments.

Basic Guidelines

• Experienced management/sponsor
• Significant transaction size
• Strong economics
• Detailed financial model
• Sources and uses
• Sponsor equity
• Market feasibility
• Institutional-quality documentation
• Defined investor return structure
• Clear liquidity or exit event

Infrastructure & Energy Project Financing

Best For: Larger infrastructure, energy, development, and specialty projects.

Basic Guidelines

• Experienced sponsor/development team

- Detailed project budget
- Required permits and entitlements
- Engineering and feasibility documentation
- Contracts/offtake agreements where applicable
- Sponsor equity
- Construction and completion plan
- Projected cash flow
- Multiple downside scenarios
- Clear long-term repayment source

Specialty Project & Multi-Source Capital Raises

Best For: Complex transactions requiring senior debt, subordinate debt, private credit, preferred equity, JV equity, institutional equity, or multiple funding sources.

Basic Guidelines

- Complete sources-and-uses schedule
- Clearly defined capital stack
- Sponsor equity
- Financial projections
- Collateral and security structure
- Primary and secondary repayment sources
- Intercreditor requirements
- Legal and compliance review
- Investor/lender alignment
- Defined exit strategy

WHAT WE GENERALLY REVIEW

Depending on the financing program, Apex may request:

- Completed funding application
- Government-issued identification
- Business formation documents
- Purchase or sale contracts
- Business bank statements
- Business financial statements
- Tax returns when required
- Current debt schedule
- Rent roll and property operating statements
- Property valuation or appraisal
- Construction or renovation budget
- Contractor information

• Accounts-receivable or accounts-payable aging
• Purchase orders or invoices
• Government contracts
• Personal financial statement when applicable
• Credit authorization
• Title, lien, UCC, and payoff information
• Evidence of borrower liquidity/equity
• Documentation supporting the proposed exit strategy

OUR BASIC UNDERWRITING APPROACH

Every transaction is different, but Apex generally evaluates five areas:

1. Repayment Capacity
Does the business, property, transaction, or exit strategy reasonably support repayment?

2. Collateral & Leverage
What assets secure the transaction, and how much leverage is being requested relative to value or cost?

3. Cash Flow & Liquidity
Does the borrower have sufficient operating cash flow, reserves, and liquidity to support the transaction?

4. Experience & Execution
For construction, development, fix-and-flip, and specialty transactions, does the sponsor have the experience and resources necessary to execute the business plan?

5. Exit Strategy
How will the financing be repaid—property sale, refinance, operating cash flow, customer payment, permanent financing, or another documented repayment source?

Ready to Discuss Your Funding Request?

Whether you need working capital, commercial real estate financing, construction capital, transactional funding, asset-based financing, or a complex capital stack, **Apex Commercial Funding will review the transaction and identify financing options that may fit your objectives.**

Submit your funding request today for a preliminary funding review.

Important Disclosure

The criteria listed above are general guidelines only and are not a commitment to lend, guarantee of approval, or offer of specific financing terms. Programs, rates, fees, leverage, credit standards, required documentation, and availability vary by lender, transaction type, collateral, jurisdiction, market conditions, and borrower qualifications. Additional underwriting and third-party verification may be required. All financing is subject to applicable lender approval and documentation.