

Attracting Private Money:

5 Things Lenders Want to See Before Saying YES

If you want to fund your next real estate deal with *other people's money (OPM)* — especially from private lenders (individuals who lend money for real estate deals in exchange for interest or profit-sharing) — private lenders can be your greatest asset. But they need confidence in YOU before cutting the check. Here's exactly what they're looking for:

1. Credibility

Even if it's your first deal, lenders want to know you're serious.

- Have you done your research?
- Can you speak confidently about the deal?
- Do you understand your numbers?

“Confidence backed by knowledge builds trust.”

2. Clear Exit Strategy

Lenders want to know: *How do I get my money back?*

- Are you selling the property? Refinancing it?
- What's your projected timeline?
- What if there are delays?

Provide this upfront using a clear, simple format — such as a one-pager or pitch deck — to help the lender feel informed and secure.

3. Strong Deal Presentation

You don't need a fancy pitch deck, but you DO need:

- Purchase price
- Rehab cost
- After Repair Value (ARV)
- Estimated profit
- Timeline

Include real photos or comps when possible — it builds credibility and shows you've done your homework on the property and the market.

4. Skin in the Game

Private lenders want to know you have something to lose — whether it's your own cash invested, your time managing the project, or your reputation on the line. Showing commitment gives them confidence that you're all-in.

- Are you contributing time, money, or experience?
 - Are you invested in the outcome?
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5. Professionalism

You don't need to be perfect — but you do need to be prepared.

- Use a one-pager or simple PDF
- Have a contract ready
- Follow up and communicate clearly

“People fund people who look like a return — not a risk.”

Ready to Pitch?

Use this checklist before you pitch:

- Know your numbers inside and out
- Create a one-pager with deal details
- Have a clear exit strategy
- Be transparent about your contributions
- Communicate with clarity and professionalism Preparation creates confidence — and confident investors GET FUNDED.

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