

Hard Money Loans Guide

Hard money loans are short-term, asset-based loans primarily used for real estate investments. These loans are often favored by investors who need quick funding, have less-than-perfect credit, or are purchasing properties that don't qualify for traditional financing. Below is an overview of the common types of hard money loans, their typical rates, required credit scores, and documentation needed for approval.

Loan Type	Typical Rates	Credit Score Required	Documentation Needed
Fix-and-Flip Loan	8% - 12%	600+	Property appraisal, rehab budget, exit strategy
Bridge Loan	7% - 11%	620+	Purchase contract, proof of income/assets
Rental Property Loan	6.5% - 10%	640+	Lease agreements, property appraisal, tax returns
Construction Loan	9% - 13%	620+	Plans/permits, contractor bids, financial statements
Cash-Out Refinance	7% - 11%	600+	Current mortgage statement, property appraisal, income docs
Land Loan	10% - 14%	650+	Land survey, zoning documents, development plans

*Note: Rates, credit scores, and documentation requirements vary depending on the lender, borrower profile, and property location. Some lenders may be more flexible on credit scores if the asset is strong or if the borrower provides a larger down payment.