The Metka Law Firm, P.A. Publishes Commercial Loan Transaction Guidance for Private and Hard Money Lenders

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WINTER GARDEN, FL - October 26, 2026 -
The Metka Law Firm, P.A., a real estate attorney located in Winter Garden, Florida, published guidance on August 27, 2026 addressing the loan documents and lien priority questions that arise when individuals and investor groups extend private and hard money financing secured by real property. The firm handles commercial loan transactions for private and institutional lenders in Winter Garden, Horizon West, Clermont, and Orlando. The guidance appears in an article titled "Private Lenders and Hard Money Loans: The Legal Protections You Can't Skip," published on the firm's website.

The article attributes the growth of private lending in Central Florida to a widening gap between what conventional banks will finance and what real estate investors need in order to close transactions. It describes an increase in commercial private lending in situations where a property does not appraise at the contract price and the buyer turns to private capital that evaluates a project on collateral, potential return, and exit strategy rather than on borrower income and credit history.

According to the article, a private or hard money loan should generally be documented with the same primary

instruments used in institutional lending, even where the substantive terms differ. Those instruments include a promissory note setting out the principal amount, interest rate, payment structure, and maturity date; a mortgage recorded in the public records that pledges the real property as collateral; an assignment of rents and leases pledging the borrower's interest in existing leases and the right to collect rents; a personal guarantee; and authority documents confirming that the individual signing on behalf of a borrowing entity has the legal power to do so. The Metka Law Firm, P.A. drafts and reviews commercial loan documents for lender clients in Winter Garden and Orlando.

The article identifies the personal guarantee as the document most frequently absent from private lending transactions. Where the borrower is an entity, a guarantee can, depending on its terms and on applicable law, make individual owners personally liable under the loan, giving the lender a source of recovery beyond the property and the borrowing entity itself. The article also addresses recording. Florida is a notice state, and an unrecorded mortgage may still satisfy the requirements of a valid instrument, but recording provides constructive notice to subsequent purchasers and creditors. Depending on the circumstances, a lender who does not record may lose lien priority or the ability to enforce the mortgage against the property. Recording is a routine step in the commercial loan transactions the firm handles for clients in Horizon West and Clermont.

Construction lending carries a different risk profile because funds are advanced incrementally while the project is still underway. The article describes draw schedules tied to the verified completion of each construction phase, together with lien waivers obtained from contractors and subcontractors, as mechanisms that keep disbursements aligned with the value of completed work and limit exposure to construction liens. For business purpose loans that include personal property as collateral, the article explains that a Uniform Commercial Code filing can create a security interest in items such as equipment or fixtures, subject to the applicable filing and perfection requirements. It further addresses cross-collateralization, cross-default provisions, and subordination, and notes that a lender's title insurance policy can identify open Notices to Owner and recorded liens before a transaction closes. The Metka Law Firm, P.A. provides title insurance and title services to clients in Winter Garden and Clermont.

The article also addresses refinances and lines of credit, noting that a smaller number of parties in the transaction does not change the underlying questions of lien priority, document quality, and title defects. It recommends that private lenders who have closed transactions without attorney reviewed documents have that paperwork assessed from a risk standpoint before the next closing, whether the next transaction is already in progress or still in planning.

Chelsea L. Metka, Esq., Board Certified in Real Estate Law by The Florida Bar and Attorney and Owner of The Metka Law Firm, P.A., said the assumption that a private loan operates outside ordinary lending requirements is the misconception she encounters most often among lender clients. "A private loan is still governed by Florida law, and the loan documents either protect the lender or they do not," Metka said. "The

firm reviews loan packages for private lenders in Winter Garden, Horizon West, Clermont, and Orlando so that a lender understands what recovery looks like before funds are advanced rather than after a default." Metka was selected as a Rising Star in 2023, 2024, and 2025 by Super Lawyers, a rating service of Thomson Reuters, and was named Central Florida's Favorite Real Estate Attorney for 2025 by the Orlando Sentinel.

The Metka Law Firm, P.A. is located at 622 Vineland Rd., Winter Garden, FL 34787, and serves clients throughout Central Florida. Driving directions from central Winter Garden are available.

For more information about commercial loan transactions, real estate closings, and title services at The Metka Law Firm, P.A. in Winter Garden, Florida, visit metkalawfirm.com or view the firm's Google Business Profile. The firm continues to publish material on Florida real estate transaction topics for lenders, investors, buyers, and sellers throughout Central Florida.

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The Metka Law Firm, P.A.

Experts in Florida real estate law, The Metka Law Firm, P.A. provides, dedicated, client-focused legal guidance on residential and commercials real estate matters across central Florida to help protect your interests every step of the way

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