



K2 Commercial Offers Multifamily Financing Tips

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New Britain, Pennsylvania ? October 12, 2015 ? K2 Commercial Finance, a leading provider of commercial mortgages to small businesses and investors, offered today some tips for investors who are looking to secure commercial mortgage loans for small multifamily properties.

K2 Commercial Finance?s President Ken Kaplan said one of the first things an investor should do is fully understand the financials of the property. Cash flow is king and investors need to do their homework to ensure the multifamily property will offer the return on investment they are seeking. Kaplan said investors should complete a full analysis of a current 12-month profit and loss statement and rent roll. They need to ask the question of the property bringing the type of return they are seeking.

?Before you even start the commercial financing process, you have to have a firm understanding of the financials,? said Kaplan. ?Commercial financing can play a big part in helping you achieve your desired returns, but only if you have firm understanding of how the property cash flows.?

In addition to understanding a property?s financials, K2 Commercial Finance advised borrowers to understand other important aspects of a property such as its location, surrounding demographics and economic drivers in the area. It also vital to understand the condition of the property and its history so that

borrowers can anticipate deferred maintenance costs or see if a construction loan might be needed.

Another tip K2 Commercial Finance offered was to carefully examine what loan to value (LTV) ratio would work best for a borrower's return on investment goals. Kaplan said borrowers need to be careful to not overleverage themselves, but also be careful not underleverage themselves either. For smaller multifamily properties, many investors put down 20 to 30 percent down and borrow the rest.

Borrowers also need to take into account how long they plan to hold the property as that will help them determine which LTV is best," added Kaplan.

Finally, K2 Commercial Finance advised those seeking multifamily loans to also examine which commercial mortgage loan program would best meet their needs. K2 Commercial Finance offers a number of commercial lending programs ideal for multifamily borrowers. Their Small Balance Commercial Mortgage Program is ideal for investors seeking multifamily loans under \$3 million. For those seeking larger loans, the company also offers the Commercial Preferred Program. This commercial lending program is designed for those seeking loans over \$3 million. Other programs include Hard Money Loans and Asset Based Loans.

The multifamily market is red hot right now and this is a great time for investors to acquire properties," said Kaplan. "We offer some great multifamily lending tools that will help them make the most of their investment."

K2 Commercial Finance is a commercial mortgage brokerage company based in New Britain, Pennsylvania that offers commercial loan solutions that meet the needs of property owners and small business. Their niche lies in serving commercial property borrowers with financing requirements of between \$50,000 and \$5,000,000. K2 Commercial offers no upfront costs and is only paid upon a successful loan closing.

For more information, visit <http://k2cFinance.com>.

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