Transaction Assumptions & Instructions

Read this first. It explains what CR Equity AI is underwriting, the assumptions your loan will be sized against, which forms you must return, and what happens after you submit.

HOW TO USE THIS FORM
Complete Section 1 with the facts of your transaction. Every number CR Equity AI quotes — loan amount, leverage, rate, reserves — is derived from these inputs. If an assumption below is wrong, the term sheet will be wrong. Confirm each one before you sign.

1 THE TRANSACTION

Complete every field that applies

BORROWING ENTITY (LEGAL NAME — NO DBA)

EIN

SPONSOR / GUARANTOR

SUBJECT PROPERTY ADDRESS

CITY

STATE

ZIP

LOAN TYPE REQUESTED

Check one

- ☐ Acquisition / bridge
- ☐ Fix & flip
- ☐ Ground-up construction
- ☐ DSCR rental term
- ☐ Cash-out refinance
- ☐ Commercial / asset-based

PURCHASE PRICE OR CURRENT BASIS ($)

AS-IS VALUE ($)

RENOVATION / CONSTRUCTION BUDGET ($)

AFTER-REPAIR / STABILIZED VALUE ($)

LOAN AMOUNT REQUESTED ($)

BORROWER CASH INTO DEAL ($)

EXISTING LIEN PAYOFF ($)

TARGET CLOSING DATE

TERM NEEDED (MONTHS)

IN-PLACE GROSS MONTHLY RENT ($)

PROJECTED GROSS MONTHLY RENT ($)

ANNUAL PROPERTY TAX ($)

ANNUAL INSURANCE ($)

MONTHLY HOA ($)

EXIT STRATEGY — HOW THE LOAN GETS REPAID (SALE, REFINANCE, LEASE-UP + TAKEOUT)

2 ASSUMPTIONS CR EQUITY AI WILL APPLY

Standard underwriting basis — exceptions require credit approval

Lien position	First lien only. Secondary financing and subordinate liens are prohibited unless approved in writing.
Occupancy	Non-owner occupied, business purpose. Neither you, any guarantor, any principal, nor an immediate family member may occupy the property at any point during the loan term.
Entity	Title is held by a single-purpose, bankruptcy-remote entity. Loans are not made to individuals.
Value basis	The lower of purchase price and appraised as-is value governs acquisition leverage. ARV is supported by a third-party appraisal, not by borrower estimate.
Budget	Renovation leverage is advanced in arrears by draw against completed work, verified by inspection. No funds are released at closing for work not yet performed.
Assignment fees	Wholesaler assignment fees cannot be financed and are not counted toward borrower equity.
Debt service	Rental sizing uses market rent supported by an appraisal rent schedule, net of taxes, insurance, HOA, management and replacement reserves.
Reserves	Interest reserve and/or liquidity reserves may be required and held at closing.
Guaranty	A full recourse payment guaranty plus a bad-boy carve-out guaranty is required from each 20%+ owner.
Recourse	All quotes assume full recourse unless a term sheet states otherwise in writing.

Insurance	Builder's risk (during construction), property, liability, flood where applicable, and rent-loss coverage with CR Equity AI named as mortgagee and additional insured.
Verification	All figures you provide are independently verified. Material variance between your figures and verified figures re-prices or terminates the transaction.

BORROWER ACKNOWLEDGMENT OF ASSUMPTIONS

- [ ] **I have read the assumptions above and confirm the information in Section 1 is accurate as of the date signed.**

3 WHAT HAPPENS AFTER YOU SUBMIT

1	**Submit**	Complete the forms in Section 4 and submit at app.crequity.ai/loan-application. Returning borrowers log in at app.crequity.ai/auth/login. Mail, if required: 2308 Mount Vernon Ave, Suite 206, Alexandria, VA 22302.
2	**Fees**	At submission you review terms and pay the AIVAA™ (AI valuation) fee plus a $599 application fee covering background, credit, legal and lien search.
3	**Review**	AIVAA™, our proprietary automated valuation and underwriting engine, performs the initial review. Automated tools support — they do not replace — human credit judgment. Every decision is reviewed and approved by authorized personnel.
4	**Escrow & reports**	We open escrow and order background, appraisal and initial legal drafts.
5	**Term sheet**	You receive a term sheet reflecting verified figures. Signing it moves the file to closing.
6	**Status**	Email status updates are sent at each stage. You can check status any time in the portal.

4 DOCUMENT CHECKLIST

Check each item as you complete it

	FORM	DOCUMENT	NOTES	APPLIES TO
☐	**TA**	Transaction Assumptions & Instructions	This form	All
☐	**LA**	Loan Application	Entity, guarantors, property, exit, declarations, exp	All
☐	**PFS**	Personal Financial Statement & Schedule of Real Estate Owned	One per guarantor / 20%+ owner	All
☐	**CA**	General Credit Authorization	One per individual applicant or guarantor	All
☐	**BPC**	Business Purpose & Non-Owner-Occupied Certification	Signed at application and again at close	All
☐	**ACH**	ACH Authorization	Funding and payment account	All
☐	**BEH**	Borrower Experience History	Completed and in-progress projects	All
☐	**CIS**	Contractor Information Sheet	One per contractor	Fix & flip / construction
☐	**RB**	Rehab & Construction Budget	Line-item scope and cost	Fix & flip / construction
☐	**DR**	Draw Request & Schedule	Submitted per draw after closing	Fix & flip / construction

ALSO REQUIRED — SUPPORTING DOCUMENTS YOU UPLOAD

- [ ] IRS Form W-9 — the unmodified IRS original is included in this package; complete and return it with your file
- [ ] State-issued photo ID for each guarantor
- [ ] Articles of Organization / Incorporation and EIN assignment letter
- [ ] Certificate of Good Standing from the Secretary of State
- [ ] Operating agreement or bylaws, fully executed
- [ ] MLS listing or fully executed purchase & sale agreement (acquisition)
- [ ] Original HUD-1 / ALTA settlement statement (refinance)
- [ ] Evidence of insurance
- [ ] Approved plans and permits, plus scope of work (fix & flip and construction)
- [ ] Two most recent months of bank statements for the account funding borrower equity

SENDING YOUR FILE SECURELY

Do not email documents containing Social Security numbers, account numbers or images of identification. Upload them through the portal at app.crequity.ai, which is encrypted in transit and at rest. If you need help, contact support@crequity.ai or 949-328-6622 before sending anything.

5 BORROWER CERTIFICATION

By signing, I certify that the transaction facts in Section 1 are true and complete, that I have read the assumptions in Section 2, and that I will promptly notify CR Equity AI in writing if any material fact changes before closing.

SPONSOR / AUTHORIZED SIGNATORY

PRINT NAME	TITLE	DATE (MM/DD/YYYY)

SIGNATURE (TYPE YOUR FULL LEGAL NAME TO SIGN ELECTRONICALLY)

ADDITIONAL GUARANTOR (IF ANY)

PRINT NAME	TITLE	DATE (MM/DD/YYYY)

SIGNATURE (TYPE YOUR FULL LEGAL NAME TO SIGN ELECTRONICALLY)