



**SECURE**  
PRIVATE FUNDING  
DEVELOPING WEALTH THROUGH  
REAL ESTATE INVESTMENTS

## Questions and Answers

### **What is a “Note or Trust Deed”?**

“Note”, “Trust Deed” or “Deed” is simply another name for the recorded document used to secure a loan against a borrower’s investment property which shows the terms of the loan.

### **Where do these loans come from?**

The loans are originated by Secure Private Funding through our own due diligence processes. These are NOT brokered from another source.

### **How many trust deeds can I purchase at a time or hold in my portfolio?**

There is no limit to purchasing other than budget or supply of available inventory.

### **What is the range of available trust deeds at any given time?**

They typically range from \$20,000 up to \$100,000. Most trust deeds average \$30,000-50,000.

### **What’s the interest rate?**

12% annually (paid monthly at 1% interest per month).

### **What’s the term or how long are the notes set for?**

Three years. However they may pay off sooner if the borrower finds cheaper financing or sells the property.

### **Are these 1st position trust deeds?**

Yes, all loans are in first position on the title of the property.

### **How often are the payments made or paid to me the note holder?**

Monthly.

### **Are there any fees to buy a note/trust deed?**

You may incur a wire fee if you are sending a wire to purchase a note. We have negotiated with the servicing company to provide their direct deposits at no expense to the note holder.

### **Can I purchase notes via my IRA/401k or similar account?**

Yes, through a Self-Directed IRA/401k. This is a fantastic way to use your IRA or 401k.





### **How do I get my interest each month?**

Payment is sent out from our servicing partner via Direct Deposit to a designated bank account you've identified, or a check is mailed to your address. For IRA/401k buyers, interest payments are sent via check to your IRA/401k custodian.

### **What happens if a note is paid off?**

Pay-offs are processed through our servicing company. When a pay-off occurs, you will receive the principle of the investment and any outstanding interest. We will contact you when a trust deed has been paid off to give you an opportunity to buy another performing trust deed.

### **What type of interest payments are these?**

Simple interest (interest only)

### **What happens if the note goes into default for non-payment?**

If a default occurs, an intensive collection campaign by both our servicing company and us as the lender will ensue. If the borrower cannot catch up their payments and remain delinquent after 90 days the property will be taken by POA (power of attorney) appointment, signed at closing and we will approach you with a few options to sell us the note, or start foreclosure against the borrower, or other options.

### **When can I expect the first interest payment after I purchase a trust deed?**

The first payment will be pro-rated, based on the borrower's due date and the date you purchased the trust deed and will arrive between 15-45 days from the date of your purchase. Each payment thereafter, will be for the full interest amount, paid approximately 10 days after the monthly due date of the borrower.

### **What ways have others used to purchase trust deeds?**

Clients have funded their trust deed purchases from cash accounts, HELOCs (home equity line of credit), Business lines of credit, IRA/401k Accounts, Trust funds, Custodial funds for minors and other means to purchase our inventory.

### **Can I purchase trust deed with a credit card?**

Not presently.

### **Can I sell these trust deeds to others?**

No, it is expressly written into our agreement that these are not for resale. It is possible for us to work with your referred family, friends and associates. Please ask us how to make that possible.





**SECURE**  
PRIVATE FUNDING  
DEVELOPING WEALTH THROUGH  
REAL ESTATE INVESTMENTS

**Do I need an LLC or similar to purchase a trust deed?**

You can hold this type of asset in your personal name, trust, self-directed IRA, self-directed 401k or other entity.

**Where are the properties located within the USA?**

We have created and originated trust deeds in several states around the country.

**If I receive the monthly interest, how do you get paid?**

When our company created and closed a loan with the borrower, we received an origination fee for doing so from the borrower. When a trust deed is sold, it allows us to re-coup our loan amount plus origination fee, and use our money again and again.

**Can I foreclose if the borrower defaults?**

If a borrower goes into default, Secure Private Funding has built several safeguards into the loan documents that assist in quickly taking over the property. We will work together with you to determine the best course of action including options such as giving you the property for the amount you invested and you keep the equity the borrower initially deposited, swapping the trust deed for a new trust deed, or being repaid at the time of delinquency.

**What tax implications will I have with my earnings?**

Our servicing company sends out an interest statement quarterly and at year end for interest earned (1099Int). For IRA/401k buyers, tax statements are not necessary and that is handled through your custodian. It is suggested that you consult with your tax account for any additional questions.