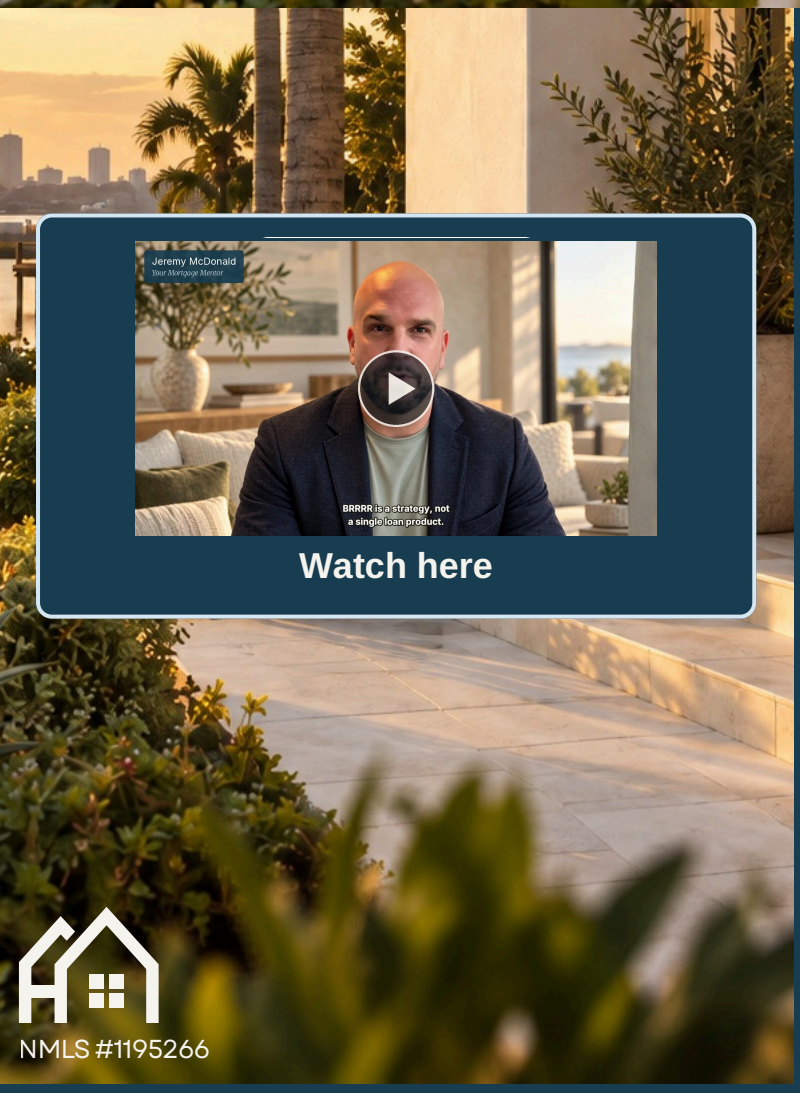
STRATEGY

THE BRRRR *Guide*



Watch here

Buy, rehab, rent, refinance, and repeat.

How the BRRRR cycle works, the loan path on the way in and the way out, the costs to plan for, and the numbers to stress-test before you buy.

Prepared by

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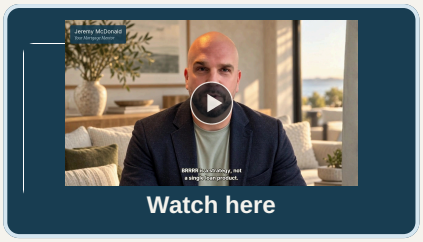

A cycle, not a single loan product

BRRRR stands for Buy, Rehab, Rent, Refinance, Repeat. It is a strategy, not a single loan product.

The refinance, often a DSCR or conventional investment loan, is based on the improved value and the rent, not just what you paid. If the numbers work, you may pull capital back out and use it on the next property.

This only works with a realistic rehab budget, a tenant, and a refinance that the new value and rent can support. I'll help you look at both the buy-side loan and the exit refinance before you go under contract.

INSIDE THIS GUIDE

01 **Who it's for**
See if this path fits your situation.

02 **The loan process**
From deal review and the purchase loan to rehab, rent, refinance application, appraisal, underwriting, and funding.

03 **The costs**
Cash to buy and rehab, hold costs, and the refinance costs on the way out.

04 **Your worksheet**
Organize purchase, rehab, rent, after-repair value, and the exit.

HOW TO USE THIS GUIDE

01 Read who this strategy is for and the key requirements.

02 Walk through the process and the numbers before you make a move.

03 Fill in the worksheet with your deal numbers.

04 Bring your deal notes when we talk. Call or text me at (904) 442-3213.

Meet your mentor

Jeremy McDonald
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Seven steps in the BRRRR cycle

Here's the real path, from the purchase loan to the refinance exit. The rehab, the rent, and the new value all have to work together.



Watch here

01

Deal Review

We review purchase price, rehab budget, after-repair value, expected rent, and the refinance you want on the way out, before you make an offer.

02

Get Under Contract

When the numbers work, you go under contract. The buy-side loan may be a fix-and-flip loan, cash, or another short-term tool.

03

Purchase Disclosures and Closing

Your purchase-loan disclosures go out, the file is underwritten, you close, and rehab can begin. I'll tell you what that loan needs from you.

04

Rehab and Rent

Complete the rehab on budget, then place a tenant. Documented rent is what a DSCR or investment refinance will use to qualify the exit loan.

05

Refinance Application and Disclosures

When the property is ready, we take a refinance application and your loan disclosures go out so you can see the new terms in writing.

06

Appraisal and Underwriting

We order the appraisal, often with a rent schedule, and submit the file to underwriting. Conditions come back if the file needs more support.

07

Clear to Close, Funding, Repeat

You review the Closing Disclosure, sign, and the refinance funds. Eligible cash can come out, and the cycle can start again on the next property.

PRO TIP

Underwrite the exit before you buy.

If the after-repair value and the rent cannot support the refinance you need, the strategy breaks. We'll run the exit numbers first.

WHAT'S THE TIMELINE?

The purchase, rehab, lease-up, and refinance each have their own clock. A thin rehab budget or a slow lease-up can delay the refinance.

I'll stay in close touch so you always know what is next.

NEED A HAND?

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Plan the full cycle cost

BRRRR has costs on the way in and on the way out. If you only budget the purchase price, the cycle can stall in the middle.

01. CASH TO BUY AND REHAB

Plan for the down payment or cash purchase, loan points, and a realistic rehab budget, including a cushion for surprises.

YOUR ESTIMATE: $_____

02. HOLD COSTS

During rehab and lease-up you still have interest, taxes, insurance, utilities, and possible vacancies. These eat into the cash you hoped to pull out later.

YOUR ESTIMATE: $_____

03. REFINANCE APPRAISAL

The exit loan typically needs a new appraisal, often with a rent schedule. The new value, not your total cost, is what a cash-out refinance can use.

YOUR ESTIMATE: $_____

04. REFINANCE COSTS

The refinance may include points, title services, and prepaid items. Some investor loans also have a prepayment penalty. I'll estimate net cash after costs.

YOUR ESTIMATE: $_____

Understand your monthly payment

- **PRINCIPAL**

The portion of your payment that reduces the amount you borrowed.

- **INTEREST**

The cost of borrowing money on this loan.

- **TAXES & INSURANCE**

Property taxes and homeowners insurance, often collected with your payment.

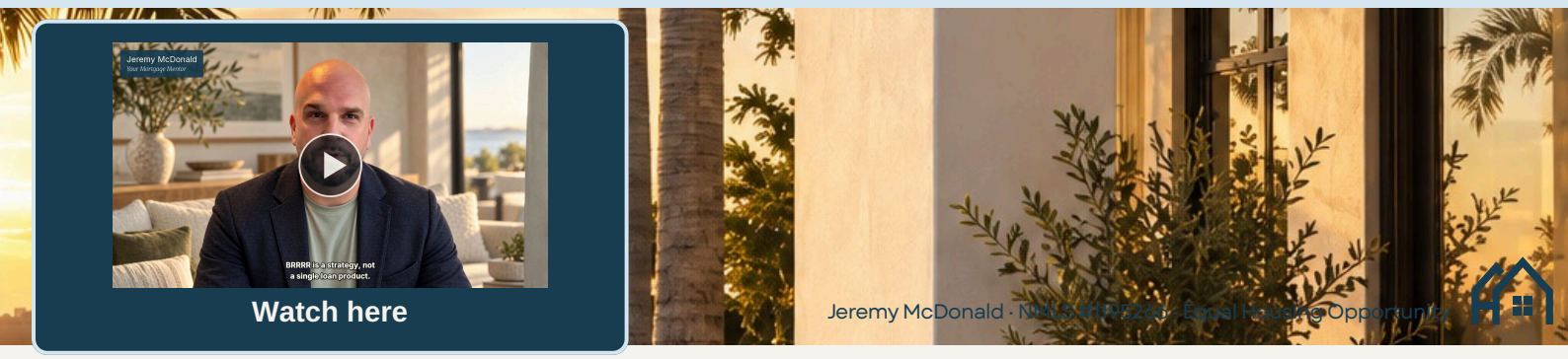
- **PITI + HOA**

The refinance payment used in a DSCR review typically includes principal, interest, taxes, insurance, and HOA dues.

Other items to consider

The buy-side loan and the refinance are usually two different products, with different guidelines. Terms vary by investor and can change. This is not a commitment to leverage, cash-out, or approval.

Ask me for a personalized estimate of your total monthly payment and closing costs.



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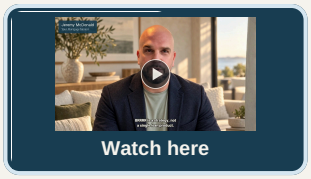

Stress-test the full cycle.

Use this worksheet to organize purchase, rehab, rent, after-repair value, and the refinance exit.

YOUR BRRRR PLAN

PURCHASE PRICE

$_____

REHAB BUDGET

$_____

EXPECTED MONTHLY RENT

AFTER-REPAIR VALUE

DEFINE THE EXIT

MUST-HAVES

Rent, value, or timeline items this cycle needs.

- ○ _____
- ○ _____
- ○ _____
- ○ _____
- ○ _____

NICE-TO-HAVES

Upgrades that could help rent or refinance but are not required.

- ○ _____
- ○ _____
- ○ _____
- ○ _____
- ○ _____

WALK-AWAY ITEMS

Costs or delays that would make this a pass.

- ○ _____
- ○ _____
- ○ _____
- ○ _____
- ○ _____

PROJECT NOTES

PROPERTY ADDRESS	PURCHASE PRICE	REHAB BUDGET	ARV / RENT	NOTES
			○ ○ ○ ○ ○	
			○ ○ ○ ○ ○	
			○ ○ ○ ○ ○	
			○ ○ ○ ○ ○	
			○ ○ ○ ○ ○	

Budget, rent support, refinance questions, and potential concerns.

Your next step

Write down purchase, rehab, rent, and after-repair value, then call or text me at (904) 442-3213. We'll look at the buy-side loan and the refinance exit together.

Investor guidelines vary and can change. This is not a commitment to terms or approval.

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