

***Mexico's 1st full service private mortgage company
Introduces
"Private Mortgage solutions for Today's world"***



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Overview

Economic changes worldwide have resulted in a real estate marketplace in Mexico where no competitively priced mortgage product exists for US and Canadian citizens. As a result, many sellers, in order to move their properties, are considering acting as “The Bank” and offering private financing to buyers, but are doing so without utilizing safe lending practices.

Underwrite Mexico is a private mortgage consulting company based in Los Cabos Mexico catering all services needed to ensure safe lending between private buyers and sellers for Mexico real estate.

“UM is the ultimate service for any seller thinking of offering a private mortgage to a buyer for Mexico real estate and looking to practice safe lending”

Francisco Javier Mazoy Camara
Attorney at Law
Federally appointed Notario # 2 for Baja California Sur and Alternate State Notary 1
License # 16110612



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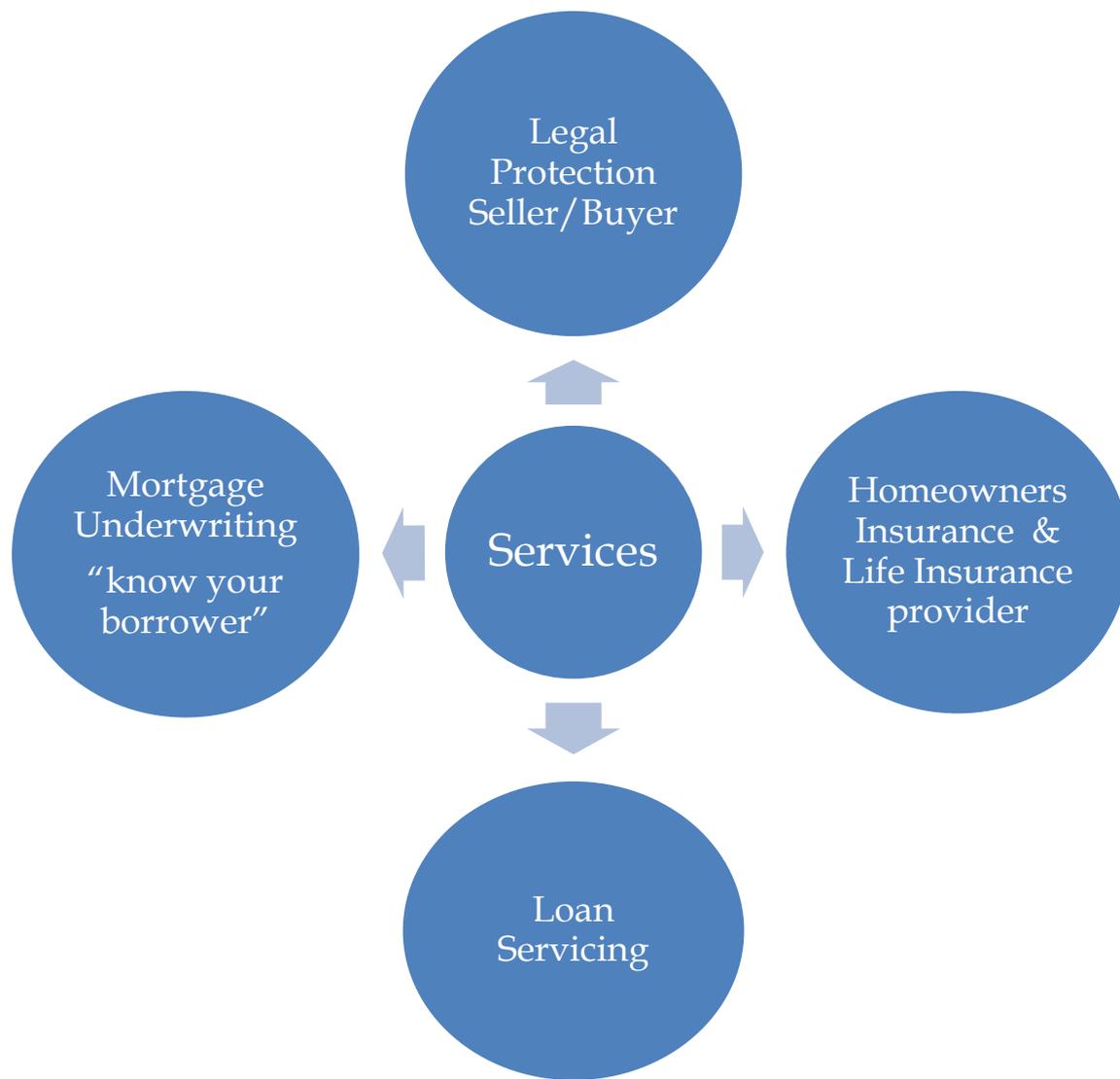
Conservative Lending Essentials

Real Estate market needs to be stable and not in a period of decline



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Scope of Services



Mortgage Underwriting



50% of all loans currently funded in the US meet Fannie Mae lending guidelines. Fannie Mae guidelines are considered the benchmark for conservative lending in the US. During our underwriting process, we perform a complete US/Canadian style mortgage application and our licensed 3rd party underwriters professionally underwrite the potential borrowers to ensure they are in fact credit worthy prior to the seller accepting the offer on their property.



Mortgage Underwriting



FULL
BORROWER
ANALYSIS includes
but is not limited to

Complete US/Canadian style mortgage application along with professionally packaged loan

For salaried borrowers, 2 year Employment verification with no gaps in employment along with verification of current employment with employer. Self employed borrowers, 3 years with the same business

Full disclosure of cash reserves (401k/ retirement accounts/stocks and bonds accounts/checking/savings)

Salaried employees 2-3 yrs tax return history along with year to date paystub verification and in the case of self-employed borrowers, 1099's, 3 years business and personal returns.

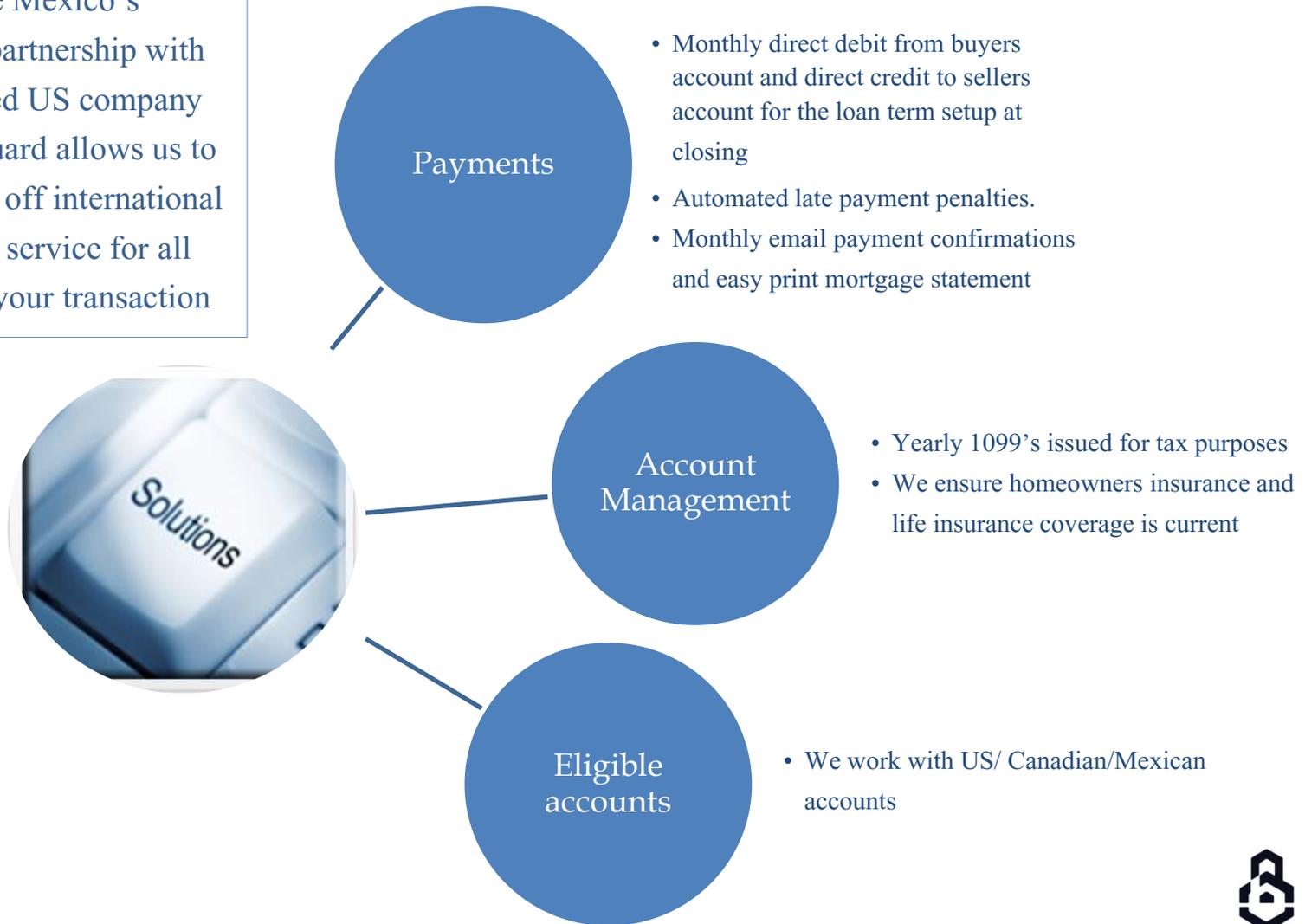
Lifelong credit history review, criminal record disclaimer and complete identity verification

Current debt to income calculation (DTI) to determine ability to repay loan



Loan Servicing

Underwrite Mexico's exclusive partnership with state bonded US company Deposit Guard allows us to offer a one off international transaction service for all aspects of your transaction



Mortgage Life Insurance

It is standard practice that banks insure their borrowers against tragedy. The payment is typically added into the interest rate and borrowers are often unaware of this phenomenon.



As an Authorized Metlife broker for all of Mexico, Underwrite Mexico's life insurance coverage ensures that in a case of tragedy striking your buyer, your outstanding loan balance is repaid in full and the family of the buyer receives an unencumbered asset. Insurance Policies are renewed yearly based off of the outstanding loan amount.

- No medical check required
- Available to any person older than 18 years and younger than 71 years old, with coverage terminating when borrower reaches 71st birthday
- Coverage is issued simultaneously with the mortgage being issued
- Seller protects his private mortgage and the borrower protects his family.



Homeowners Insurance

As an **Authorized representative** for the leading home owners insurance carriers In Mexico, Underwrite Mexico's coverage ensures your asset remains protected for as long as you are carrying the risk of a private mortgage.

Mexico Dwelling Coverage ~ Up to \$5 Million USD (Replacement Cost)

Mexico Personal Property Coverage

(NO Ocean Distance Requirements or season restrictions)

Hurricane, Flood, Tsunami Coverage

Glass Breakage

Debris Removal

Do you Rent your Home in Mexico ~ Are you Protected??

Mexico Liability – Up to 1 Million USD

Bilingual Claims Representatives / Mexico Insurance Policy in English



Legal Protection

Even when a seller takes every precaution to practice safe lending, there is always a chance, however slim, that the borrower can default on a loan. We believe it is important to have legal protection in place in preparation for this potential scenario; and for it to be a profitable venture.

Option 1



The non judicial foreclosure

- Warranty Trust
- Promissory note
- Loan agreement

Option 2



BBVA



The judicial foreclosure

- Guaranteed Trust
- Recorded Mortgage
- Pledge over the beneficiary rights

How do we incentivize a fast & easy foreclosure process?

Both title options include the **NEW** Trustee Bank approved “mutual benefit” clause protecting a portion of the buyer/borrowers equity in the case of total cooperation in the event of foreclosure (50% of principal paid) OR complete loss of equity in the case of no cooperation with the foreclosure.



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Fees

Services can be used as a package or single services can be used as needed. Typically buyers pay the closing costs and as such, pay Underwrite Mexico's fees; however this can remain a point of negotiation between buyer and seller.

- | | |
|---------------------------------------------------------|---------------------------|
| • Fannie Mae Borrower Analysis/ Know your Borrower | \$2000 |
| • Loan servicing – paid monthly as part of loan payment | \$75 - \$100/month |
| • Life insurance with seller as beneficiary of policy | .6% of the loan amount/yr |
| • Homeowners Insurance with seller as lien holder | .case by case/yr |
| • Promissory note paid to Trustee | \$750 |
| • Yearly trust fee paid to Trustee | \$500 |



Developer Recommendations

UM's prior company MCM funded numerous residential mortgages at Alegranza. Now due to very limited and restrictive financing being available to foreigner buyers, we have done several developer financing transactions, using UM's services. We feel they give the seller a much better idea of who the buyer/borrower is and also allow expert advice and protection for the seller on mortgage terms allowing us to focus on selling more real estate, relying on a third party to handle the proper due diligence required for a secured seller financed transaction.

Iban Garcia-Sanjuan

Developer of Alegranza Residential Resort

Los Cabos

As the general manager of El Encanto de La Laguna, I feel that Underwrite Mexico's new product is of an added value to the overall sales program of our community. Considering the lack of any financing options in Los Cabos, many buyers are left trying to figure out how to come up with all cash unless we as the developer offer Seller financing. We welcome the idea of having a company do the proper underwriting necessary to protect our interest and help facilitate a sale. The Underwrite Mexico product gives us the assurance that our borrower is qualified and the process will be handled accordingly. El Encanto de La Laguna has closed numerous deals in the past with Ryland Apsey through Mexico Capital Mortgage and he has proven to deliver quality service in the past and we expect to experience good quality service in the future.

Aaron Wesselink

General Manager El Encanto de La Laguna

Los Cabos



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Our Promise

With an 8yr track record in Mexico as a mortgage provider under the banner **Mexico Capital Mortgage**, we provided a service which earned us the position of market leader in terms of volume in 2008, 2009 and 2011. With bank offered mortgage financing no longer being available as of May 2012, the combination of no financing product as well as a change in buyer demographic has resulted in many potential transactions being lost due to this lack of product.

A growing trend in the 2012/2013 season is more sellers opening up to the idea of offering a private mortgage. By doing so they end up selling their property quickly and at close to the asking price in what is still considered a flat market. Sellers end up with a sizable down payment in hand, a monthly interest payment for a few years and a balloon payment due in typically 2-5yrs. With most sellers already having their properties listed on the market for a few years, offering a private mortgage to a buyer makes sense and Underwrite Mexico provides a safe environment to do so.

Underwrite Mexico's mission is to take all current conservative US lending regulations and processes banks use and apply them to private transactions for Mexico real estate creating peace of mind for both buyer and seller and an easy transaction for all.

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