



SECURED P2P LENDING BRIEF INTRODUCTION



PASSIVE SECURED P2P INVESTMENT

CONGRATULATIONS!

You have taken the first step in deciding to explore and invest in secured lending, let's learn some more about it!



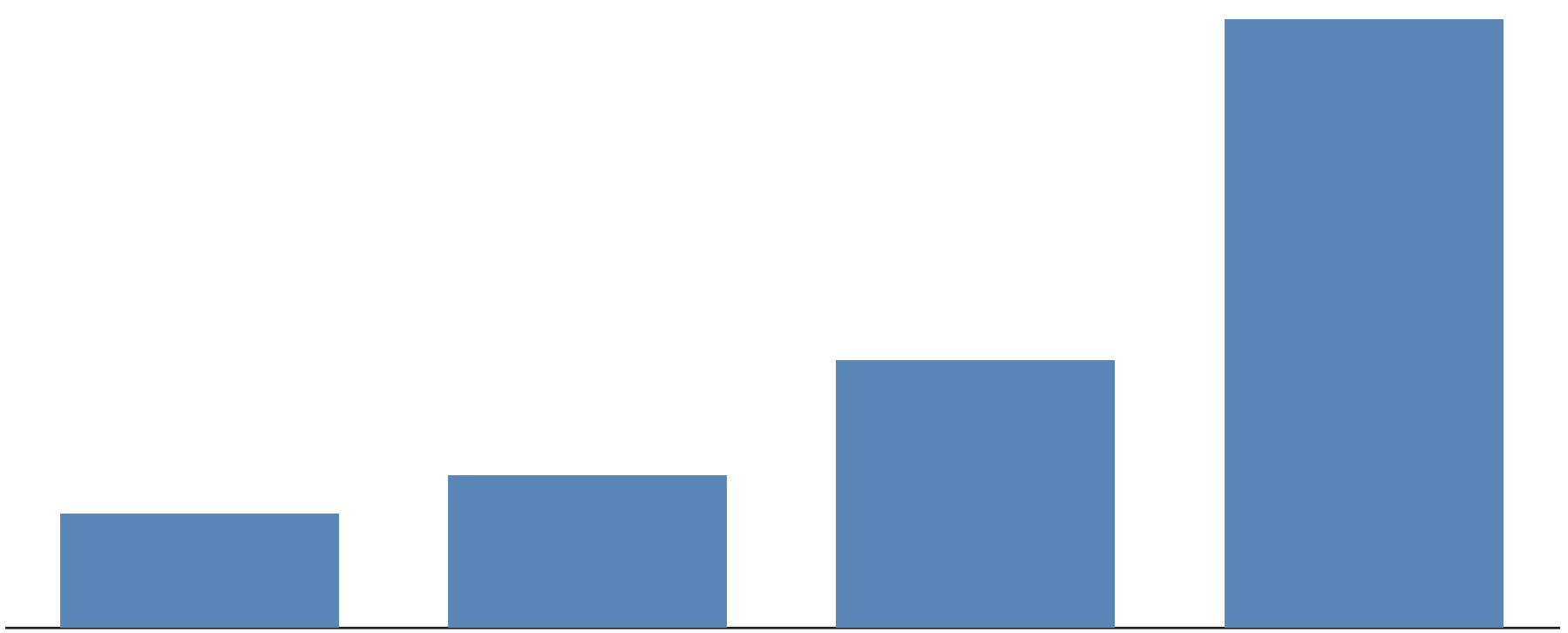
SECURED LENDING?

Many investors have invested on leading peer to peer lending platforms that allow investors to lend in the UNSECURED consumer debt market. While returns are stable, due to increased institutional demand, they are continually decreasing. Furthermore, in an economic downturn, there is a certain risk of increasing defaults of consumer debt. In fact across the board, mature portfolios are increasing charge-offs.

What if there is a better way to lend? A more secure way? A way to earn attractive, stable returns, and SECURE your money with collateral.

There is! and what better collateral than a hard asset like REAL ESTATE!

For the first time **secured lending is made simple.**



WHY SHOULD I INVEST?

Predictability and Good Returns:

While some investors may consider cash as a super safe asset where there is NO risk of losing your “investment”, in effect, if you do stuff your dollars under your mattress it is still losing value. A dollar earned today is better than one earned tomorrow. Let’s move to another safe haven - MMA or CD account. It is not uncommon to see 0.1% or even less than that in returns, where you are literally earning pennies on your dollars. Additionally, average inflation rate from 2004-2014 was 2.53%. While stock market has been on a tear these past years, there is still volatility associated with it and no sustained cash flow.

PHILOSOPHY:

Lending to cash flowing business or high grade borrowers with an additional layer of security i.e. collateral of inventory, equipment and real estate is a special asset class that goes above and beyond simple P2P Lending (unsecured). This provides the sort of fixed income and predictable returns investors can beat inflation with and rely upon.

DIVERSIFICATION:

Many investors allocate their wealth across a number of different asset classes. A major advantage investing in secured lending is it’s non-correlation with the general market. This is specially true if investing in such a unique fusion: cash flowing business with it’s real estate.



WHAT KIND OF INVESTMENT SHOULD I EXPECT?

SECURED PASSIVE INVESTMENT:

Businesses like retail, convenience stores, gas stations, medical offices and other commercial businesses tend to have strong business fundamentals. In addition, their respective real estate are located in prime locations and are very valuable in the real estate market. However, due to the previous financial crisis which hurt the banking industry, banks have severely reduced lending to small businesses.

This provides a great opportunity for investors to lend money so that they can continue to expand and grow their businesses. These loans are then secured with collateral, usually in the form of real estate. By lending money to small businesses you can expect to earn monthly interest payments.

RISK AND RETURN:

Often times lost in the “yield chase” is the hidden fact regarding the said asset class’s higher risk. For example, if you were to do hard money lending to house flippers in a tough market, despite first position lien on the house, in a competitive market the house may not “flip” and you may [never recover](#) lent money from the borrower.

By contrast, lending to cash flowing retail businesses or commercial shopping strip with tenants generates monthly rental or business income resulting in ability to pay. On top, the underlying security of the real estate provides a great equity cushion and downside protection to investors. In this light, secured P2P lending provides superior return/risk than other projected alternative investments.



IS THIS RIGHT FOR ME?

Marketplace lending or popularly known as P2P Lending may be a recent phenomenon, but lending has been going on for millennia. Before there was the stock market, there was private lending. A loan or debt may seem like a primitive instrument, but it is an essential part of an economy. A bond is, in effect, a loan.

Marketplace lending is simply democratizing lending that was hegemony of big firms. Now accredited investors can enjoy the sort of stable consistent returns big banks have enjoyed through decades. The following is what you should consider when making investments on debt based marketplaces:

- Investments in stocks or bonds are LIQUID (you have a market you can trade on), real estate or lending in general is illiquid and bound by the loan term. Before you invest, you need to be comfortable with the time frame of the investment.
- While studies have shown that even in the worst of economic times, consumer debt did not default beyond 10%, it is conceivable that during economic downturn, there is increased chance of default. No investment is guaranteed - be it real estate, equities, bond market or any other asset class. Investors get compensated with higher returns for taking on increased risk.



BENEFIT OF PASSIVE INVESTING

Lending, like investing in stocks, gives a passive way to invest and diversify without doing much dirty work. In case of Secured Lending, you get the additional benefit of leveraging the added security of the underlying real estate. This is retail real estate debt investment. The loan terms range from 3 to 5 years.

You earn interest income even when you are sleeping!

I AM READY! WHAT IS NEXT?

Secured Lending to businesses and properties begins with access to deal flow. Reamerge is delighted to work with you giving you insider access to pre-vetted investments. With a low price point of \$3,000 (and sometimes as low as \$1,000) you can browse through excellent borrower businesses with real estate and sign your paperwork securely online. After that, view your investments on the investor dashboard and watch your money do the work!

THANK YOU FOR READING! KEEP TUNED FOR MORE INFORMATIVE MATERIAL AND HOPE TO SEE YOU SOON IN THE MARKETPLACE!

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REFERENCES

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