



## Direct Deal Profits Banking and Hedge Fund Script

Jim: Hello, this is Jim with American Community Bank of Indiana. How may I help you?

Jason: Yes. Hi, Jim. My name's Jason Lucchesi. I'm own a real estate investment company in Indiana. I wanted to reach out, give you a call, and see if you had a quick minute to answer a question for me.

Jim: Sure, what's the question?

Jason: With our investment company we recently liquidated some assets and have acquisition capital ready for deployment. I wanted to reach out to see if you guys have anything on your balance sheet that you would be looking to liquidate. Do you have any assets your looking to liquidate at the moment?

Jim: Well, we do have a protocol that you would have to go through, and that doesn't take long. We could actually go over that right now on the phone. But before I do that, Jason, can you tell me, are you only looking in Indiana, because we do operate in other states? Our reach at the bank is within a few states.

Jason: Yeah, Jim, as of right now, my investment company acquires new assets at a national level. We are looking, especially in the Midwest right now, in states like Ohio, Indiana, Michigan, and Kentucky. So, we're looking in like about five states right now in the Midwest, that we would be looking to acquire new assets.

Jason: Basically, what we're looking for right now is single-family residences and multi-family apartment buildings. If your bank has available inventory both asset classes we would love to have the opportunity to review the data to see if it would make financial sense for us on the acquisitions side.

Jim: Yeah. So Jason, what we do is we're a regional bank and we operate in Michigan, Ohio, Indiana, Kentucky, and Illinois. So I would be more than happy to see if we do have anything within our available inventory that we are looking to liquidate in the states that you mentioned. Let me ask you this. We work with investors like this on a monthly basis.

Jim: We typically will sell assets on a bi-weekly basis to a small group of investors. And I mean small group, we only have two individuals right now that have gone through the protocol process, and they're looking to acquire assets from us. Is there a certain asset class that you are looking for?

Jason: Yeah. So Jim, the only type of assets that we're looking for right now are single-family residences. And that could go from two units to four units. And we're also looking for apartment complexes.

Jason: So what kind of protocol would I have to go through in order to become one of your investors that's notified of new inventory that you guys are looking to liquidate?

Jim: Yeah. Sure, Jason. So really the only thing is, I want to make sure that you've been in business for longer than 12 months, and that when we do send you assets, that you're fine with sending back a one-time non-circumvent, non-disclosure agreement, and that will be a document that you have signed with us that will have you approved for five years and then any assets that you do place bids on and are accepted.

Jim: If for some reason, once they're accepted and you don't close, unfortunately, after that we terminate the relationships quickly because we want to work with individuals that once entered into an executed agreement is placed and the bid has been approved by us, we want to make sure that we're working with accredited investors that are able to acquire those assets within a quick period. Is that something that you're okay with?

Jason: Yeah. Jim, my company has been in business since 2008, so we meet that requirement right off the bat. Any assets that are approved by your bank, we can absolutely close on those assets. We would only make offers on assets the bank is willing to liquidate and both sides can come to agreeable terms. My company would like for this to be long-term and mutually beneficial arrangement.

Jason: Once we have an executed agreement in place we deploy acquisition capital and close on the assets. So if we do come to terms on either it be one asset or multiple assets, at any particular time, we are in a position to where we can acquire very quickly and relieve those assets off of your balance sheet. So that's not a problem at all.

Jason: And I have no problem signing your non-circumvent, non-disclosure agreement. We've done that in the past and we have no problem with that. We keep anything that we would receive from you, it's all going to be seen just by me or somebody else on the team. Does that work for you if somebody else on the team reviews it?

Jim: Yeah. Just as long as that agreement's signed and you mark down any of your individual team members, that is completely fine with us. Just as long as it's signed by the actual owner of the company. So that's not a problem at all. So Jason, is there a certain range of properties, as far as can you acquire more than one at any individual time?

Jim: And also, is there a certain maximum dollar amount that you would be able to ... With your acquisition capital that you would be able to purchase?

Jim: And we want to try and deal with investors that, from a sophistication level, know what they're doing and can ... If they do want to write up an offer and submit it to us, that they can do that. So we do try and sell off multiple assets at any individual time.

Jason: Yeah. So we can ... Our take down for assets that you would be wanting to liquidate from your balance sheet, that's not a problem. Right now, we have acquisition capital ranging between \$8 and \$10 million.

Jason: So we could take down \$8 to \$10 million worth at any individual time from an acquisition capital point, we could deploy that capital and take down those assets within a very short period of time.

Jason: Obviously, after the due diligence period is complete, we require at least 10 days to do the due diligence. Is that something that you guys are okay with from a due diligence standpoint?

Jim: Yeah. Jason, so that's something that could be negotiated, depending on how many assets that you would be looking to acquire. If it's going to be one asset at a time, then the due diligence period is going to be, obviously, shorter. But if you're going to be purchasing multiple assets, we could come to terms with 10 days due diligence. That's not a problem at all.

Jim: And most of our properties, we'll provide you with include a recent BPO, most recent title report. Normally, we update those every 90 days. So every quarter, we are updating that information for our records, and that's something that we would be able to supply with each asset. Once we've come to terms, we send off that information to you so you could have that for your due diligence period.

Jason: That sounds great. I would like to proceed forward with being able to be one of the investors that is on your list of properties that we would like to look at for possible acquisition for our company. So what would the process look like then, Jim?

Jim: So all you would need to do at this point in time is, once I receive your email address, I'll send off the NCND document to you. You would sign that, send it back, and then I would need to know your company name and your EIN Number for verification purposes of when that LLC or whatever business entity you have established has been in good standing with the state. So we just need to verify that.

Jim: And we just need to make sure that you've been in business for more than 12 months. So it sounds like you've been in business for a while, which this shouldn't be a problem. And then from there, we'll be able to get you established and start sending you assets. And how we start sending assets to you, Jason, is through email format on an Excel spreadsheet.

Jim: So with the NCND being signed, we will be able to send you a fully non-sanitized list. Meaning, that you'll be able to see all of the address information on each property. And

with our NCND, it also states that you cannot contact the current owner of those properties.

Jim: The other thing that we also ask is, are you looking for any type of performing or non-performing notes? Because we do have mortgage notes that we do sell from time to time. They aren't as frequent as deeded properties.

Jason: Yeah. Jim, we are looking for non-performing notes. And we will take a look at some performing assets, as long as it makes financial sense for our company to get involved. So that's not a problem at all. We look at that and we can move quickly on note products, as well. So I appreciate you bringing that up. That wouldn't be a problem at all.

Jason: So my email address if you're ready is \_\_\_\_\_, it's (EMAIL ADDRESS), and then it's period, and then \_\_\_\_\_, which is spelled \_\_\_\_\_. So, it's (EMAIL ADDRESS). And that's the best way to reach out to me, Jim. And also, too, my contact number is 317-555-5555. So that's the best way to get ahold of me.

Jason: So I guess next steps is you'll send over an email to me with the NCND information. And I could send you over my business entity, the name for that, and then also the EIN information.

Jim: Yes. That's what we would need from you. So, I've got your email address confirmed. I will send it off to you here probably within the hour. And then as soon as I get that back from you, we'll be able to send you some assets. The next time that we'll be doing that is going to be, I believe, by the end of this week. So you've called at a good time. And we'll be able to send you off some of the assets that we have.

Jim: I'm not sure if we're going to be able to help you out a lot on the commercial front with your multi-family apartments. We'll see what we have available on that and I'll include that in on the list that we'll send off to you. And then I'll also mark down that you want to look at assets in Indiana, Michigan, Ohio, and Kentucky. And also that you're looking for some of our mortgage notes, as well.

Jim: So with that being said, thank you for calling. And we'll send this off to you.

Jason: All right. Thanks a lot, Jim. I appreciate your time, buddy. And I look forward to doing business with you.

Jim: Likewise, look forward to doing business with you, too, Jason. Have a great day. Bye now.