

A low-angle, upward-looking photograph of two men in business suits shaking hands. They are positioned in the center of the frame, with their hands clasped together. Above them is a large, circular glass dome with a complex grid of white structural beams. The sky is visible through the glass, appearing as a bright blue. The lighting is bright and natural, creating a sense of optimism and success.

# Does Seattle Funding Group Dominate the Private Money Market on the West Coast?

*To most in the industry, SFG is  
“Best in class” and well on their  
way to becoming the ultimate  
equity lender in the western U.S.*



# Does Seattle Funding Group Dominate the Private Money Market on the West Coast?

**Who do the commercial and residential loan officers turn to when they have a hard-to-place loan backed by marketable real estate? The answer increasingly is Seattle Funding Group (SFG) for brokers in the western U.S. who need reliable, fast, and trusted service on commercial and residential transactions.**

The unique ability to bring multiple property types and multiple borrowing entities into a single equity lending transaction allows SFG to serve a market that is relatively undiscovered. "Because we fund and service each loan from our portfolio," says John Odegard SFG's President and founder, "we can make real on-the-spot common sense decisions. Being able to consider all the options without secondary market conditions is what takes us outside the box and makes this business fun and profitable for the mortgage broker, and valuable for the borrower."



John Odegard  
President,  
Seattle Funding Group

Through the recent recession and real estate collapse, SFG has stood proud beside its investors as well as its borrowers. When many lenders began to disappear, SFG remained.



Charles Salas  
Senior Underwriter  
California Office  
Seattle Funding Group

SFG was founded on principles that reflect the nature of the company, of commitment and unprecedented service - and as always, a quality product for both the mortgage investor and mortgage borrower. With competitive rates lower than most hard money lenders, SFG attracts the better quality borrower wanting the service inherent in private money lending...mainly speed and simplicity. Starting with a quality transaction, the SFG management team is able to do in-depth underwriting at a quicker pace than traditional lending sources, providing unmatched service to the borrower. With attractive pricing and high level service Seattle Funding Group attracts high quality transactions, which accounts for their long standing relations with their investors, and the typical waiting list wanting to get in. For over 20 years SFG investment products have been branded with the symbol of quality. "No transaction is without risk" says Odegard, but we are willing to accept a slightly lower yield for higher quality

transactions. We believe in the long run, quality out yields the yield chaser anyway". Their motto seems to be Quality properties, Quality locations, Quality borrowers equals better pricing than typical hard money lenders, and the message is working.



Imagine being in the position of commercial broker and founder of CommercialCondos Inc. Derek Doke.

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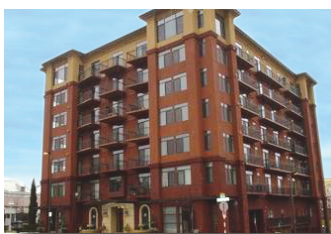


Ron Lorentsen  
Senior Underwriter  
Investor Relations  
Seattle Funding Group

The property was a large expanse of commercial condos in the rich Ballard area of Washington State. Derek with a good credit score and an established reputation could not secure traditional financing for the property because it was not fully tenanted. With major tenant waiting on Derek to secure the title, Derek turned to SFG. Cautious of dealing with people in the “hard money business” as hard was typically the key word; Derek was at once surprised and relieved when he finally met with the team at SFG. “They make the loans personal, they are a people lender instead of matrix lender and as such are able to work outside the lines.” Derek said when asked what his experience with SFG had been. “They are a quality company, I could tell right away. They saw right through to the essence of the request and were able to pinpoint an appropriate loan amount that put them in well collateralized position while still solving my dilemma.”

Derek reported after his deal had been closed, jokingly adding “they saved me the hassle and cost of having to bring in a partner. Their pricing was higher than the bank, but cheaper than a partner.”

In today’s market with banks credit lines tightening up and traditional financing all but disappearing, there is a huge demand for funding solutions that fall outside the typical categories. As SFG president John Odegard explains. “It’s not unusual for a commercial broker working on a multi-million dollar transaction to encounter a problem: The borrower requires additional liquidity (typically in the range of \$500 thousand to \$2 million) outside the subject transaction. Yet the broker doesn’t want to get involved in a residential loan either because it is too small or due to the increased liability associated with residential compliance requirements. However speed and certainty are usually critical issues to making everything work.



SFG’s success stems from two important attributes: independence and discipline. The firms independence results from their success in managing the SFG Income Funds, a “bond type” investment pool. Their investment discipline shows in the fact that since 1988 SFG has successfully loaned hundreds of millions of dollars without any investor taking a loss on principle. Even with the current economic disaster and unprecedented foreclosures SFG still has a proud group of investors that have time and time again been shown that they

have made the right choice.

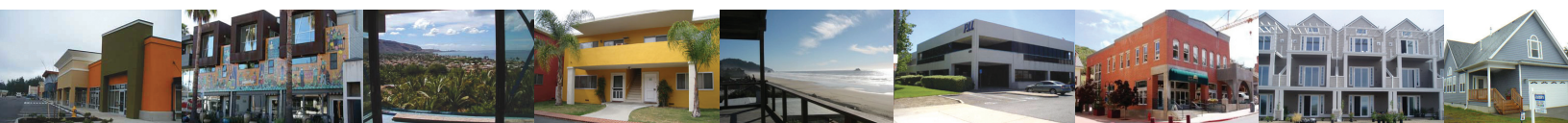
“These are unprecedented times and we have felt some pain, but not nearly to the level of most. We have also learned a lot over the last couple years, chiefly the importance of a quality borrower. Quality borrowers make smart decisions when faced with adversity and work with the lender in an attempt to solve problems. Poor character borrowers seem to work against everyone involved and compound the problem with poor decisions. Even though we are primarily an asset based lender, the borrower plays a larger role in our decisions today than ever before.” Says Seattle Funding Group Vice President Kent Rowe.



Kent Rowe  
Vice President,  
Seattle Funding Group

SFG began operations as a local lender funding residential and commercial loans in Washington State over twenty years ago. Inevitably the word began to spread and requests for funding

*Continued on page 3*





started coming in from all over the country. "It took discipline to manage the growth." Says Odegard: "We began with the philosophy that the only way we could properly service the mortgage community was to make ourselves experts in local market values, so we could underwrite property values swiftly but thoroughly. It is for this reason we have an office in Southern California as well as Seattle. The market in Southern California is finicky, so we wanted a physical presence there to not only enhance our service to the mortgage community, but to add certainty to our underwriting. We expect to open an office in San Francisco sometime in 2010." Today the firm operates with the same philosophy, serving markets in California, Hawaii, Idaho, Nevada, Oregon, Utah, and of course Washington.



John McCain  
Underwriter  
California Office  
Seattle Funding Group

Since his first loan with SFG, Derek Doke has continued to come to SFG for the type of quality and professionalism he has come to depend on. At times acting as a broker and others as a borrower, "It's not just X's and O's" Derek said when trying to explain what it was that made SFG different from the other lenders he had worked with in the past. "It's a personal understanding you have with the people who actually control the money, and a mutual respect." Like many others, Derek has continued to work with SFG for a reason that goes deeper than the promised of great rates and a quick closing. "They are a class of people that continue to leave their mark upon the industry" Derek said when asked about the staff and people that made up the managing team.

SFG, now more than twenty years from its inception, still stands for the highest degree of excellence. It seems they never stop improving. With a long list of happy investors and a data base of over 40,000 mortgages professional they regularly communicate with, Seattle Funding Group definitely leads the field of private money lending. *"There are some equity lending firms out there I have great respect for and believe have done an excellent job for their investors.", says Odegard. "However I also believe our track record, command of the mortgage market and strong investor following makes us pretty tough to compete with. Although we are always striving to get better, we like where we stand today."*

## Sample Seattle Funding Group Closings



45%  
LTV

**\$1,150,000**  
Exclusive  
residential  
beachfront  
**Maui, HI**



35%  
LTV

**\$500,000**  
Last Minute  
Acquisition Capital.  
Medical Center as  
Collateral  
**Seattle, WA**



65%  
LTV

**\$1,850,000**  
4 View/Newly  
Constructed  
Townhomes  
**San Diego/  
Pt Loma, CA**

