PROPERTY LLAMA CAPITAL

The Private Lending Capital Protection Framework

A practical guide to how real estate private lending protects capital and generates predictable monthly income, drawn from Chris Lopez and Richard McGirr's webinar, Mastering Capital Protection and Cash Flow in a Volatile Macro Environment through Private Lending.

With Chris Lopez and Richard McGirr, Co-Founders of Property Llama

CHAPTER 1

What Is Real Estate Private Lending?

Real estate private lending is non-bank lending for real estate projects. Instead of buying property directly, a private lender funds a real estate borrower's project and is repaid principal plus interest, often at an 8-20% annualized return.

Common loan types:

- Fix & Flip: Short-term loans for property renovations (3-12 months)
- Bridge Loans: Temporary financing between transactions or refinances (6-24 months)
- Ground-Up Construction: Funding to build new properties (12-36 months)

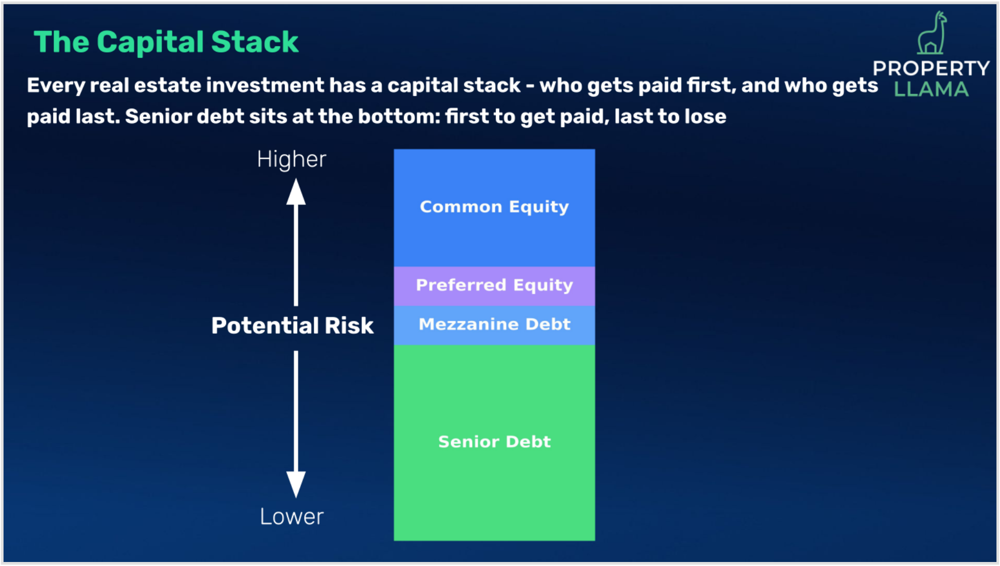
$5+ Trillion Market

Real estate private credit is larger than the high-yield bond market ($2.1T) or the municipal bond market ($4.0T), yet most retail

CHAPTER 2

How Lending Protects Your Capital

“Rule #1: Don't lose money. Rule #2: Don't forget Rule #1.” — Warren Buffett. Every real estate investment has a capital stack: who gets paid first, and who gets paid last. Senior debt sits at the bottom of the stack — first to get paid, last to lose.



Example: a $1,000,000 multifamily deal

70% senior debt ($700,000, the lender's position) and 30% equity ($300,000, the owner's money). If property values crash 25%, the property is worth $750,000.

Senior Debt Lender

Fully protected. Owed $700,000; property is worth $750,000. Gets paid in full.

Equity Investor

Loses $250,000 of the original $300,000 investment. Only $50,000 left.

The cushion: equity sits below the lender and absorbs all losses first. Even in foreclosure, lenders typically still profit — just on

CHAPTER 3

Two Strategies for Private Lending

Option 1: Direct Lending

Pros

- You keep 100% of fees and interest
- You choose your borrowers
- Direct relationship with the borrower

Cons

- Requires $100k-$1M+ per deal
- Limited diversifi cation
- You source, underwrite, and service every loan

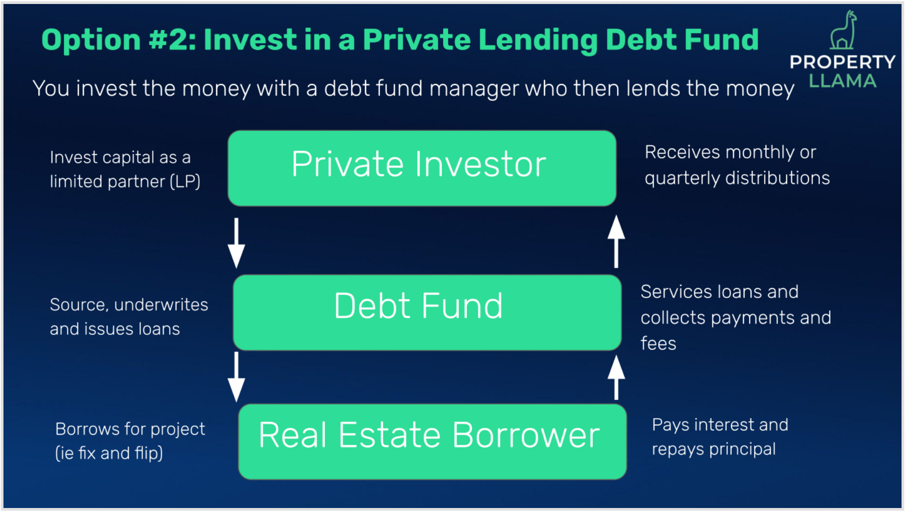
Option 2: Private Lending Fund

Pros

- Instant diversifi cation across 20-50+ loans
- Professional underwriting
- Passive, monthly or quarterly distributions

Cons

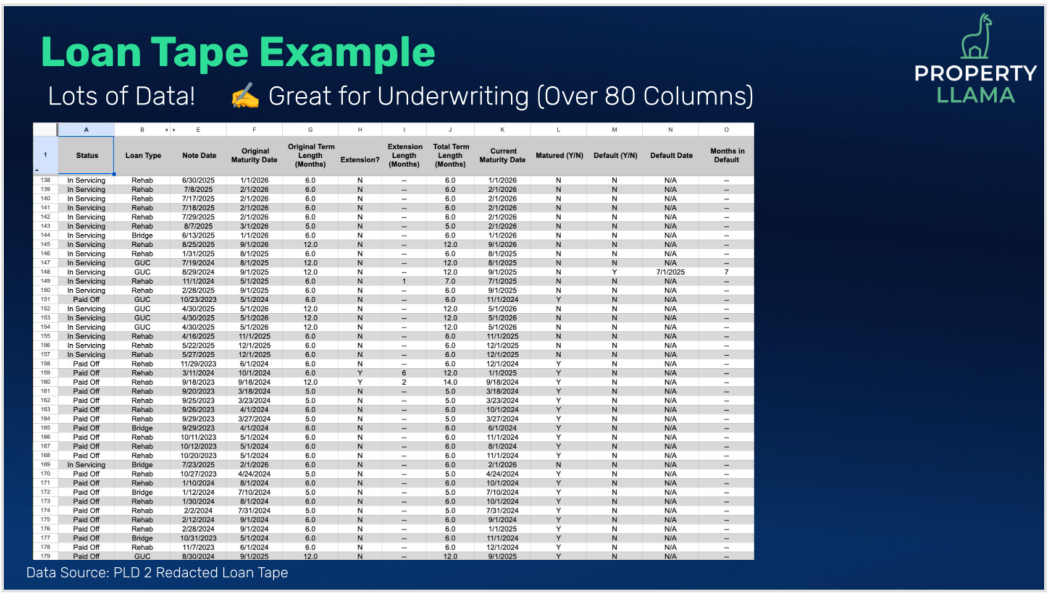
- Less control over individual deals
- You don't keep 100% of returns



Reading Loan Tapes Like a Pro

A loan tape is a detailed spreadsheet showing every loan in a portfolio: status, loan type, amounts, terms, maturity dates, and performance. When you invest in a fund with an existing loan portfolio, you can evaluate real data, not projections.

> Equity deals: “Here's what we think will happen.”
>
> Debt funds: “Here's what IS happening.”



1	Status	Loan Type	Note Date	Original Maturity Date	Original Term Length (Months)	Extension?	Extension Length (Months)	Total Term Length (Months)	Current Maturity Date	Matured (Y/N)	Default (Y/N)	Default Date	Months in Default
138	In Servicing	Rehab	6/30/2025	1/1/2026	6.0	N	--	6.0	1/1/2026	N	N	N/A	--
139	In Servicing	Rehab	7/8/2025	2/1/2026	6.0	N	--	6.0	2/1/2026	N	N	N/A	--
140	In Servicing	Rehab	7/17/2025	2/1/2026	6.0	N	--	6.0	2/1/2026	N	N	N/A	--
141	In Servicing	Rehab	7/18/2025	2/1/2026	6.0	N	--	6.0	2/1/2026	N	N	N/A	--
142	In Servicing	Rehab	7/29/2025	2/1/2026	6.0	N	--	6.0	2/1/2026	N	N	N/A	--
143	In Servicing	Rehab	8/7/2025	3/1/2026	5.0	N	--	5.0	2/1/2026	N	N	N/A	--
144	In Servicing	Bridge	6/13/2025	1/1/2026	6.0	N	--	6.0	1/1/2026	N	N	N/A	--
145	In Servicing	Rehab	8/25/2025	9/1/2026	12.0	N	--	12.0	9/1/2026	N	N	N/A	--
146	In Servicing	Rehab	1/31/2025	8/1/2025	6.0	N	--	6.0	8/1/2025	N	N	N/A	--
147	In Servicing	GUC	7/19/2024	8/1/2025	12.0	N	--	12.0	8/1/2025	N	N	N/A	--
148	In Servicing	GUC	8/29/2024	9/1/2025	12.0	N	--	12.0	9/1/2025	N	Y	7/1/2025	7
149	In Servicing	Rehab	11/1/2024	5/1/2025	6.0	N	1	7.0	7/1/2025	N	N	N/A	--
150	In Servicing	Rehab	2/28/2025	9/1/2025	6.0	N	--	6.0	9/1/2025	N	N	N/A	--
151	Paid Off	GUC	10/23/2023	5/1/2024	6.0	N	--	6.0	11/1/2024	Y	N	N/A	--
152	In Servicing	GUC	4/30/2025	5/1/2026	12.0	N	--	12.0	5/1/2026	N	N	N/A	--
153	In Servicing	GUC	4/30/2025	5/1/2026	12.0	N	--	12.0	5/1/2026	N	N	N/A	--
154	In Servicing	GUC	4/30/2025	5/1/2026	12.0	N	--	12.0	5/1/2026	N	N	N/A	--
155	In Servicing	Rehab	4/16/2025	11/1/2025	6.0	N	--	6.0	11/1/2025	N	N	N/A	--
156	In Servicing	Rehab	5/22/2025	12/1/2025	6.0	N	--	6.0	12/1/2025	N	N	N/A	--
157	In Servicing	Rehab	5/27/2025	12/1/2025	6.0	N	--	6.0	12/1/2025	N	N	N/A	--
158	Paid Off	Rehab	11/29/2023	6/1/2024	6.0	N	--	6.0	12/1/2024	Y	N	N/A	--
159	Paid Off	Rehab	3/11/2024	10/1/2024	6.0	Y	6	12.0	1/1/2025	Y	N	N/A	--
160	Paid Off	Rehab	9/18/2023	9/18/2024	12.0	Y	2	14.0	9/18/2024	Y	N	N/A	--
161	Paid Off	Rehab	9/20/2023	3/18/2024	5.0	N	--	5.0	3/18/2024	Y	N	N/A	--
162	Paid Off	Rehab	9/25/2023	3/23/2024	5.0	N	--	5.0	3/23/2024	Y	N	N/A	--
163	Paid Off	Rehab	9/26/2023	4/1/2024	6.0	N	--	6.0	10/1/2024	Y	N	N/A	--
164	Paid Off	Rehab	9/29/2023	3/27/2024	5.0	N	--	5.0	3/27/2024	Y	N	N/A	--
165	Paid Off	Bridge	9/29/2023	4/1/2024	6.0	N	--	6.0	6/1/2024	Y	N	N/A	--
166	Paid Off	Rehab	10/11/2023	5/1/2024	6.0	N	--	6.0	11/1/2024	Y	N	N/A	--
167	Paid Off	Rehab	10/12/2023	5/1/2024	6.0	N	--	6.0	8/1/2024	Y	N	N/A	--
168	Paid Off	Rehab	10/20/2023	5/1/2024	6.0	N	--	6.0	11/1/2024	Y	N	N/A	--
169	In Servicing	Bridge	7/23/2025	2/1/2026	6.0	N	--	6.0	2/1/2026	N	N	N/A	--
170	Paid Off	Rehab	10/27/2023	4/24/2024	5.0	N	--	5.0	4/24/2024	Y	N	N/A	--
171	Paid Off	Rehab	1/10/2024	8/1/2024	6.0	N	--	6.0	10/1/2024	Y	N	N/A	--
172	Paid Off	Bridge	1/12/2024	7/10/2024	5.0	N	--	5.0	7/10/2024	Y	N	N/A	--
173	Paid Off	Rehab	1/30/2024	8/1/2024	6.0	N	--	6.0	10/1/2024	Y	N	N/A	--
174	Paid Off	Rehab	2/2/2024	7/31/2024	5.0	N	--	5.0	7/31/2024	Y	N	N/A	--
175	Paid Off	Rehab	2/12/2024	9/1/2024	6.0	N	--	6.0	9/1/2024	Y	N	N/A	--
176	Paid Off	Rehab	2/28/2024	9/1/2024	6.0	N	--	6.0	1/1/2025	Y	N	N/A	--
177	Paid Off	Bridge	10/31/2023	5/1/2024	6.0	N	--	6.0	11/1/2024	Y	N	N/A	--
178	Paid Off	Rehab	11/7/2023	6/1/2024	6.0	N	--	6.0	12/1/2024	Y	N	N/A	--
179	Paid Off	GUC	8/30/2024	9/1/2025	12.0	N	--	12.0	9/1/2025	Y	N	N/A	--

Before you invest in a debt fund, ask to see:

- Loan status (paid off , in servicing, in default) across the full portfolio
- Loan-to-value and loan-to-cost ratios on every loan
- Interest rates, fees, and how defaults / late fees are handled
- Borrower experience level and FICO scores

Want to See This in Practice?

This guide condenses the frameworks Chris Lopez and Richard McGirr teach in their full webinar, including a real walkthrough of an actual (redacted) loan tape and Q&A. Watch the complete session for the full picture.

Watch the Full Webinar

Property Llama Capital

Chris Lopez and Richard McGirr are the Co-Founders of Property Llama, a real estate portfolio analytics platform. Chris and Richard have been general partners together on over $40 million of successful private lending partnerships.