

Term Sheet Comparison Checklist

Real leverage vs. advertised leverage. How to compare two offers and see the true cost of capital.

The #1 mistake borrowers make: Comparing headline rates without accounting for points, reserves, holdback structure, and draw timing. Higher leverage with slow draws and heavy reserves often costs more than a structure combined with clean execution.

SIDE-BY-SIDE COMPARISON (PAGE 1 OF 2)

| What to Compare | Description | Upright Lending | Other Lender |
|----------------------|--|-----------------|--------------|
| Interest Rate | Headline. Not the whole story. | _____ | _____ |
| Origination Points | Upfront cost. Adds to total cost of capital. | _____ | _____ |
| LTC (Loan-to-Cost) | % of project cost financed. | _____ | _____ |
| LTV / ARV Cap | Max loan as % of After Repair Value. | _____ | _____ |
| Holdback Release | "In advance" vs "draw-based in arrears." | _____ | _____ |
| Draw Turnaround | Days from draw request to funded. | 2 Bus. Days ✓ | _____ |
| Reserves Required | Cash held by lender vs. in your account. | _____ | _____ |
| Prepayment Penalty | Fee for early payoff. Negotiate or avoid. | _____ | _____ |
| Close Timeline | Days from LOI to funded. | 7–10 Days ✓ | _____ |
| Dedicated Team / POC | Or are you in a queue? | Yes ✓ | _____ |
| Draw Inspection Fee | Per draw. Adds up across 4–8 draws. | _____ | _____ |
| Extension Options | Can you extend if project runs long? | _____ | _____ |

Tip: Want Upright to walk through another lender's term sheet with you? We'll break it down apples-to-apples, including cash-to-close, reserves, fees, and timeline risk, with no pressure. Call 216-206-6079.

Term Sheet Comparison: Questions to Ask



Key questions to ask any lender before you commit to a term sheet.

QUESTIONS TO ASK ANY LENDER

"Is the rate fixed or floating, and what index is it tied to?"
Floating rates can increase during your loan term. Know the cap and the index.

"What's your actual average draw funding time after inspection?"
"3-5 days" often means 5-7 once inspections are factored in. Ask for real numbers.

"Are there any fees not on this term sheet?"
Processing, underwriting, doc prep, wire fees. Get everything in writing before committing.

"Who do I call if there's a problem mid-project?"
If the answer is a generic email or ticket system, that's a risk on every future draw.

"What are my extension options if the project runs long?"
Good lenders plan for this. Non-transparent lenders profit from maturity pressure.

Tip: Want Upright to walk through another lender's term sheet with you side by side? We'll cover cash-to-close, reserves, fees, draw speed, and timeline risk with no pressure. Call 216-206-6079 or email info@uprightlending.com.