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## Renovation Webinar

### Dean Parker & Troy Harris (Active Property Network)

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#### Joint Venture and Money Partner Loan Agreements

**Troy Harris:** While we're on finance, Kelvin from Melbourne is asking about...he's looking to finance his second project shortly. What are some of the administrative things that need to be completed in order to finalize the agreement (Money Partner/ JV Agreement)?

**Dean Parker:** I spend a fair bit of money with a solicitor...actually just coming up with a...We don't do joint ventures anymore. We do more *loan agreements*. So essentially, someone gives us a chunk of money and we have a standard loan agreement in place. It's about a seven or eight-page document that has all our details of a standard loan agreement. Well, it's sort of semi-standard, just standard conditions that would be associated with a loan agreement. And then there's a particulars page that obviously details all the lender's details, all the borrower's details and the interest rights and all that sort of thing. So we've got a standard document now that we use for everyone. Everyone's on the same thing there.

And we've also got an information pack around that so that when someone is looking to invest with us, we send that out first and it's got a copy of the contracts and they check that out. Like, if they want to have a read through it and see how it all works, they know all up front exactly what's going on. So even around the financing part of our business, we've got systems in place to make sure that it all runs smoothly.

So at the end of the day, we definitely make sure that we've got commitment from the joint venture partner or the person that we're getting the funds from before we buy. And yeah, it's just a case of once we've signed on the dotted line and funds are all done, I guess it's another step in the process similar to obtaining bank financing that we get our joint venture or loan agreements in place up front. So not I'm not sure...

It just comes back to making people feel comfortable and making it easy. And if you look professional, it just makes everything a whole lot easier.