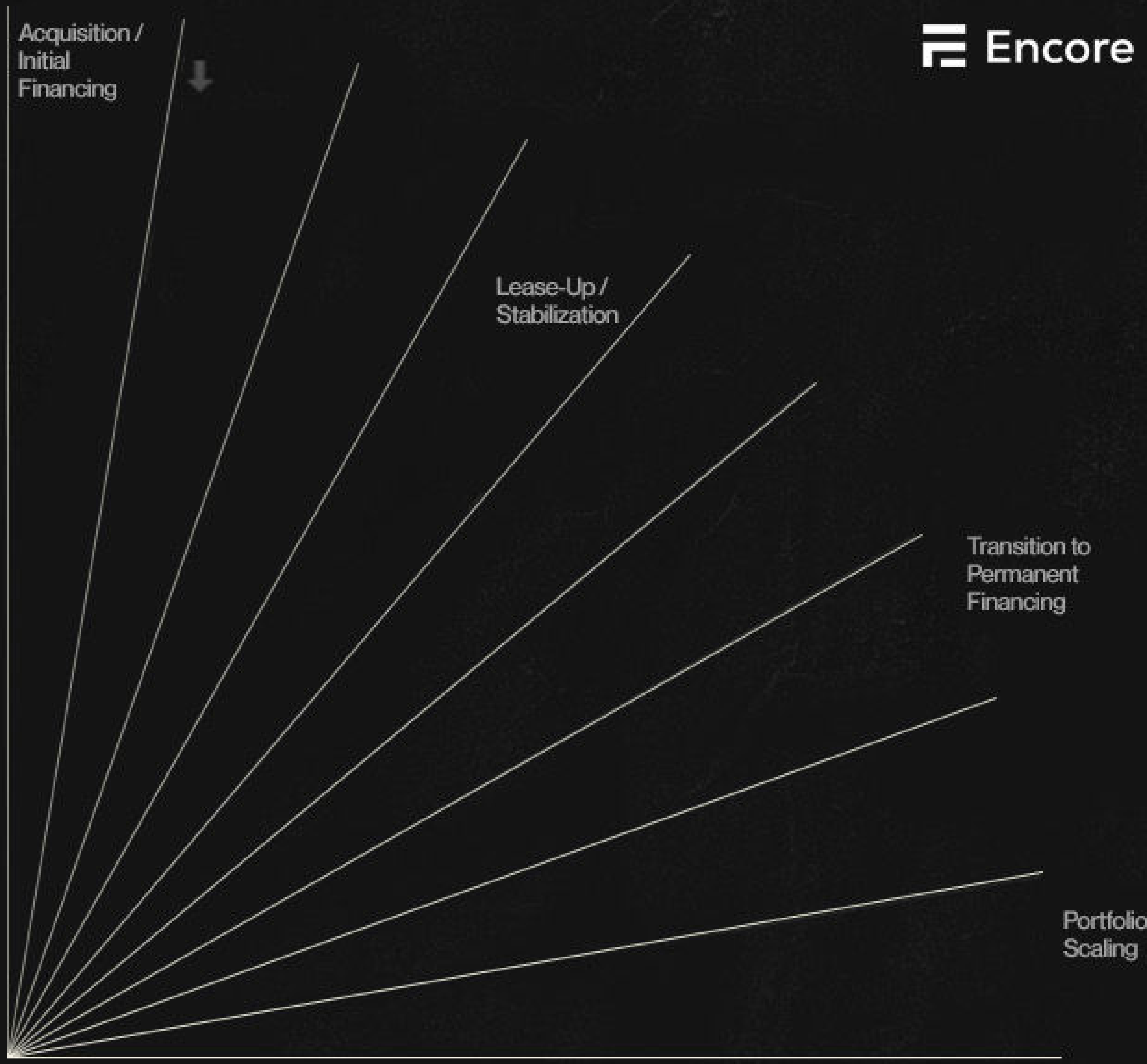
Encore Finance



The BFR Financing

Readiness Checklist

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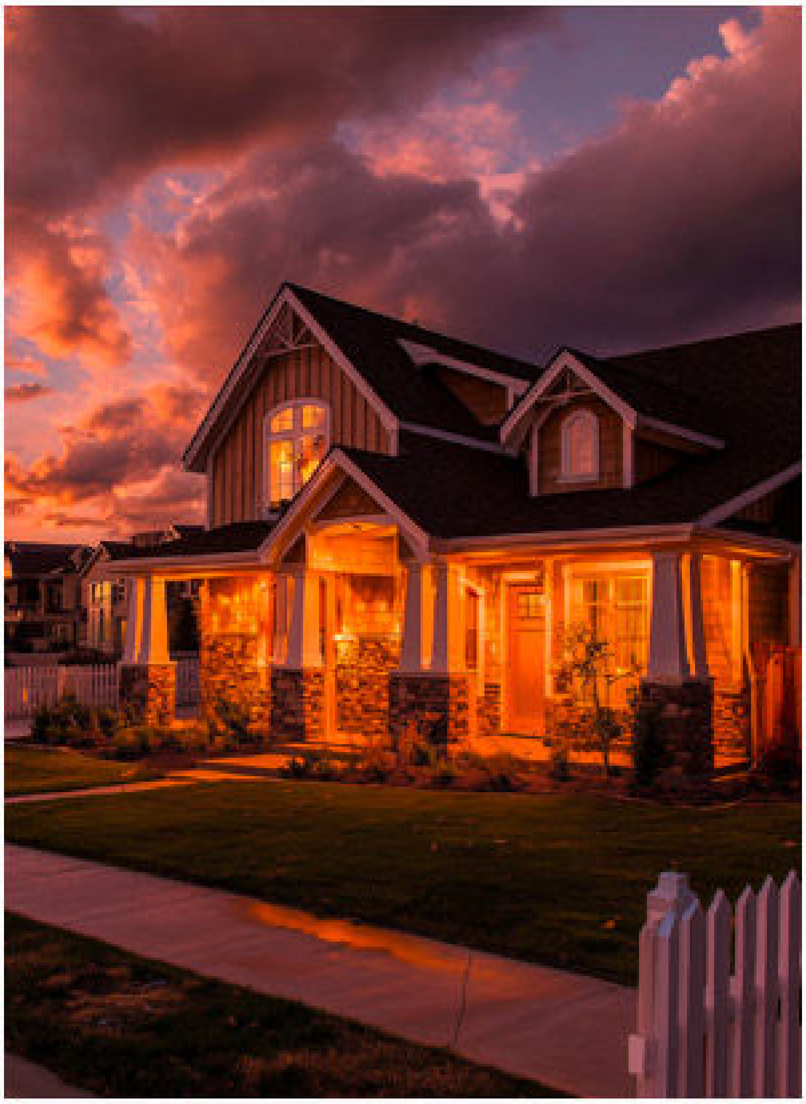
Are You Really Ready to Finance Your Next BFR Project?

Most Build-for-Rent investors assume their financing plan is solid, until delays, lender surprises, or refinancing issues stall the deal. The problem usually isn't bad lending—it's bad timing. This checklist helps you spot issues early, so you can ensure a smooth financing process and avoid the all-too-common hangups that derail otherwise great deals.



Why BFR Requires a Different Approach

Build-for-Rent isn't just about getting the right loan. It's about navigating a multi-phase capital stack that spans acquisition, lease-up, and long-term stabilization. Unlike traditional SFR or multifamily deals, BFR projects face unique financing gaps that can derail your timeline or returns.

With BFR:

- Lease-up periods are longer and less predictable
- Short-term financing often matures before properties stabilize
- Permanent financing is rarely ready when you need it
- Local and one-off lenders don't have the flexibility BFR requires

This checklist helps you think two to three steps ahead so your capital keeps moving, your returns stay protected, and your portfolio stays on track.

Who This Is For:

- Investors planning to acquire or scale BFR communities
- Operators preparing to transition out of construction financing
- Builders or buyers entering the lease-up phase with no clear takeout strategy
- Portfolio-minded investors growing across multiple markets

If you're not thinking several steps ahead with your financing, you're already behind. Use this checklist to spot gaps and avoid surprises.

The BFR Financing Readiness Checklist

Phase 1

Acquisition / Initial Financing

- Do you have financing lined up before signing a PSA or closing on the property?
- Does your lender understand BFR timelines, lease-up cycles, and your exit plan?
- Are you acquiring a stabilized community, or will lease-up capital be needed?
- Will your financing cover multiple properties or future phases?
- Do your loan terms give you breathing room if timelines shift?

Phase 2

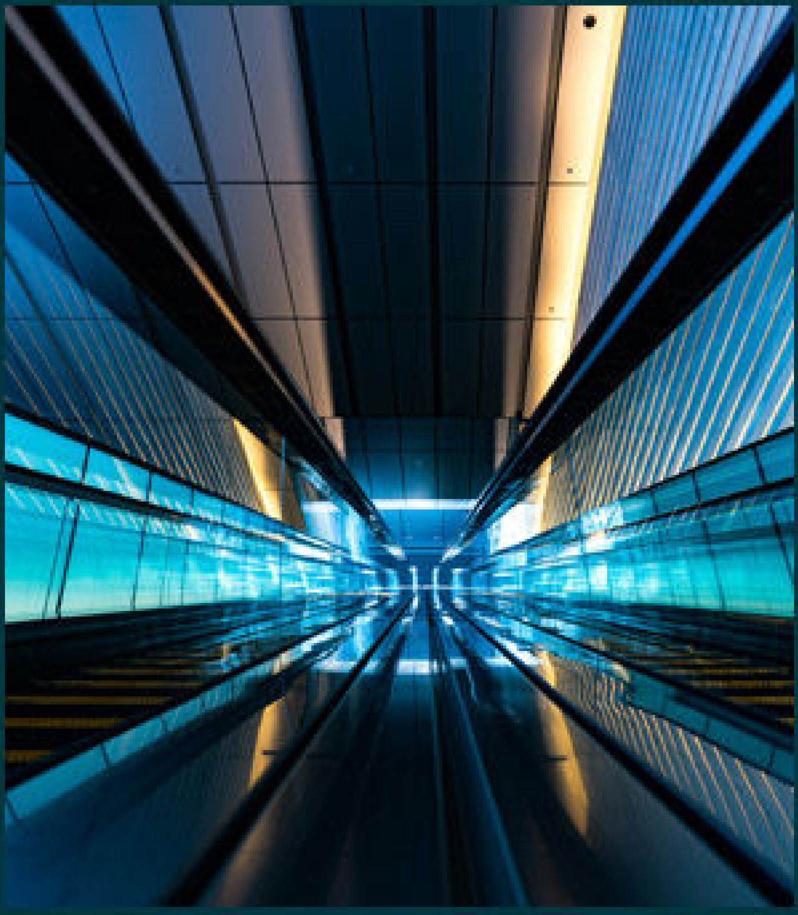
Lease-Up / Stabilization

- Do you have a plan to refinance out of your initial loan before stabilization?
- Is your lender comfortable funding during lease-up, before full occupancy?
- Are your projected DSCR and LTV aligned with realistic lease-up pacing?
- Do you have flexibility if occupancy takes longer than expected?
- Have you modeled how rate movement could impact your next step?

Phase 3

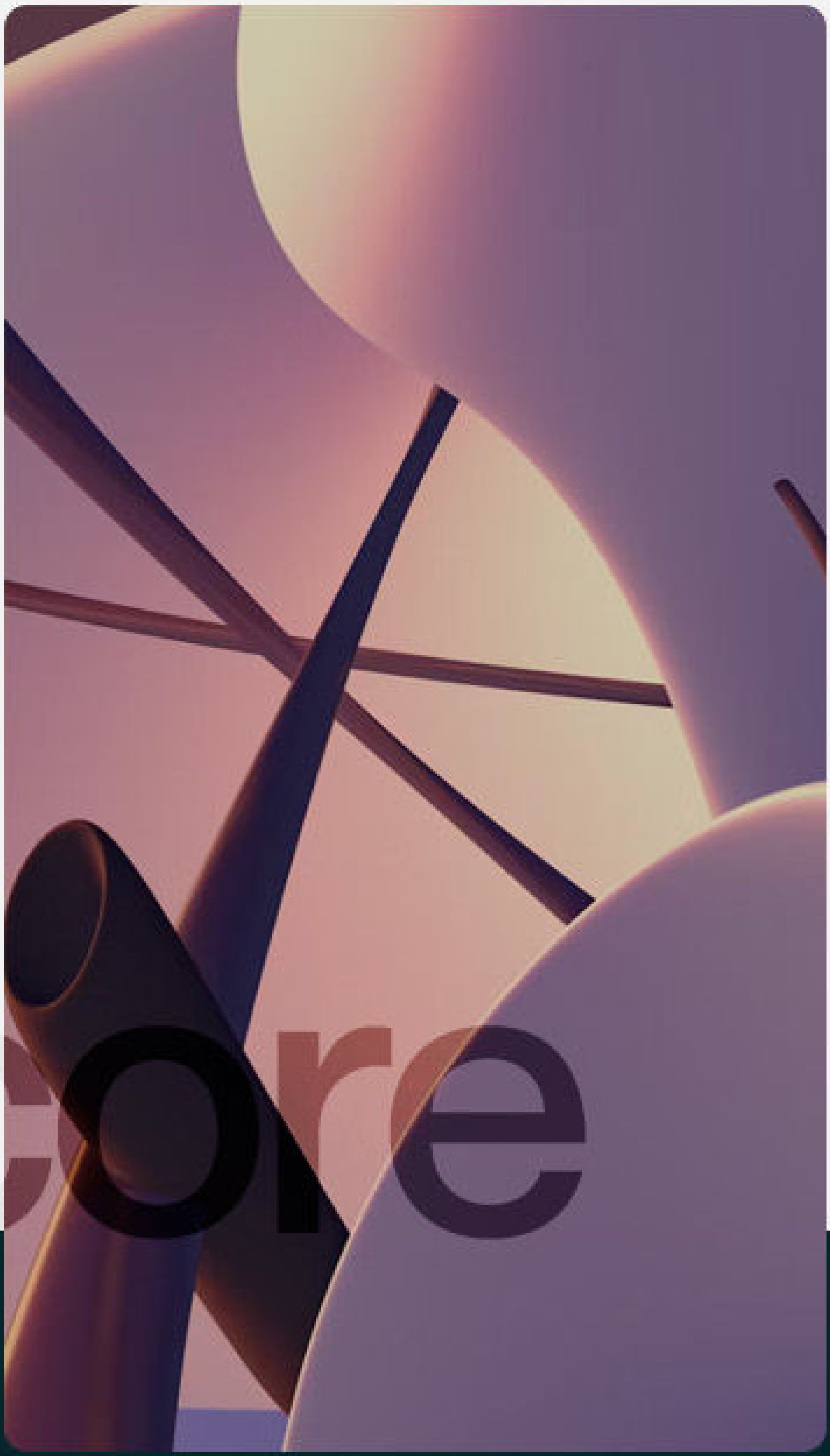
Transition to Permanent Financing

- Have you already discussed long-term financing with your lender?
- Are your financials structured to meet takeout requirements (DSCR, LTV, NOI)?
- Is your current lender helping you prepare for refinancing, or leaving it up to you?
- Do you have a backup plan if rates spike or underwriting terms shift?
- Can you time your exit based on strategy, not lender pressure?



Portfolio Scaling

- Are you working with a lender who can grow with you across markets?
- Do you have a repeatable, portfolio-level capital strategy?
- Are your loans structured to unlock equity and reinvest?



If you’re not checking every box, we should talk.

Encore Finance’s full-cycle BFR financing approach helps you avoid delays, reduce risk, and scale with confidence. From acquisition to lease-up to long-term financing, we make sure you stay ahead of what’s next.

Let’s connect and talk through your next project.