

Startup Launches First Ever Lending Platform BCRM Group Funds Real Estate Due Diligence Deposits

August 16, 2016 — BCRM Group LLC, a real-estate deposit funding startup, will fund earnest money deposits for real estate acquisitions in the United States.

In response to the previously unaddressed demand for capital, owners Ben Cohn and Randy Modell formed BCRM Group. Unlike anyone else in the industry, the company offers buyers reasonably priced immediate financing for soft deposits, enabling them to sign contracts and close on properties.

Typically, real-estate buyers initiate their purchases with a “soft period,” during which they conduct due diligence before committing to proceed with the acquisition. Sellers customarily require an earnest money deposit of as much as 10 percent of the purchase price before granting the “soft period” to a purchaser and withdraw the property from the market. BCRM Group was developed to ease the liquidity burdens of such deposits.

“Countless talented entrepreneurs are forced to pass on buying opportunities because they do not have immediate funds available for the deposit. With our platform, they will now have the ability to tie up deals while they raise the required equity and debt,” said Modell. “Now investors will have the power they need to proceed with all real estate deals being considered.”

Cohn and Modell believe this platform is geared toward borrowers of varying profiles, including:

1. Entrepreneurs beginning their real estate career
2. Experienced investors, often presented with several opportunities, whose immediate funds may be unavailable to tie up every deal being considered
3. Financial investors with a preference for delaying the internal rate of return clock by funding deposits off the balance sheet
4. 1031 exchange buyers who do not have the required funds to secure an exchange property

“Inspired by clients and contacts in the real estate industry who have approached us for assistance with deposit funding, we have created a success-based pricing structure that is sensitive to the buyer’s all-in costs,” said Cohn. “For deals that proceed to close after the due diligence is complete, services will cost the buyer approximately one percent of the total purchase price.”

Currently, the founders are financing this new venture from their own resources, with institutional backing and crowd funding as the next development in their growth.

Visit BCRMgroup.com for more information.

Ben Cohn

Ben Cohn has a Master's degree from the London Business School, and a Doctorate of Philosophy from the University of Oxford. Originally from London, Ben founded and ran a successful international trading company in New York, and has been a real-estate investor for many years.

Randy Modell

Randy Modell has a Master's degree from Columbia University's Graduate School of Architecture, Planning and Preservation (M.S. in Real Estate Development). Randy has been active in Real Estate for 15 years as a broker, land assembler, and adviser to family offices and high net worth clients on real estate strategies and valuations. He is a member of the Real Estate Board of New York (REBNY) where he serves as an instructor for continuing education courses, as well as Co-Chairperson of the Early Access Committee.

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