

The MLB Wholesale Wire

November 2025

Knock Bridge Loan

Step-by-Step Process

1. Client Qualification

- Current home is evaluated for available equity.
- Borrower must qualify for carrying **both mortgages** (existing + new).
- You do not carry both mortgages for FNMA and Freddie, which is all we offer

2. Equity Unlock

- Knock provides a **bridge loan** secured by the departing residence.
- Funds can be used toward:
 - **Down payment** on new home.
 - **Closing costs & reserves.**
- Knock also allows for debt consolidation on the new loan, \$35,000 for Home Prep, and \$5,000 for moving expenses

3. Purchase New Home

- Client makes an offer without **home sale contingency**.
- Bridge loan covers down payment gap until current home sells.

4. Sell Existing Home

- Client lists home traditionally.
- Once sold, proceeds pay off the bridge loan.

5. Final Loan Position

- Client remains only with the new mortgage.
- No permanent financing from Knock — bridge loan is temporary

Key Guidelines

Borrower Eligibility

- **Credit Score:** 620+ (one FICO)
- **Occupancy:** Primary residence only.

Collateral & LTV

- **Max CLTV:** ~75% on departing residence (some markets may allow up to 85%).
- **Bridge Loan Amount:** Limited to available equity after existing mortgage balance.
- **Property Type:** 1-unit owner-occupied homes only (no condos/co-ops in certain markets).

Loan Structure

- **Payment:** 6 months of the current mortgage payment is included in the Bridge Loan
- **Exit:** Repaid in full from sale proceeds.

Benefits for Borrowers

- Make a **non-contingent offer** on a new home.
- Access equity from the current home **before sale**.
- Reduce the stress of timing buy vs. sell
- Avoid moving twice