**Asset of the Week**

Loudon, TN

**Questions for the Experts:**

1. I have purchased an owner occupied NPN.  I have gone through the FC   
   process but have postponed the sale because the owner finally contacted   
   my servicer.  They are very anxious to keep the house.  I have several   
   questions:  
     
   1) The occupant was willed the house when his mother died.  Since he is   
   not on the note, I assume that a new note must be written rather than a   
   modification.  Is that correct?  
     
   2) The servicer suggested a forbearance agreement to make sure they   
   would pay before we started a new or modified note.   The balance on the   
   note is $35K with about $13K in arrears + my expenses of $5K.  I paid   
   $9.5K for the note. The old note payment was $300. I don't know if the   
   old note even matters since he was not on that note.  
     
   3) I am not sure how to structure the forbearance agreement. They only   
   have about $4.5K in liquid assets.  They say that they have about $1K   
   per month for payments. Could I structure this like a BK where I get 2   
   payments, one for the primary note & one for the arrears & my expenses?  
     
   Any other thoughts or suggestions would be appreciated.  
     
   Thanks,  
   Cathy Woodson
2. I am a new student and over the seminar nothing that I can remember was mentioned about REO, so on the list of REO for sale, I would like to know if all liens have been paid, eviction was done and any other important information that I should know or what is the list of my due diligence before I purchase and REO.

Thank you for your prompt attention!

Rebeca Garcilazo

1. Dear Expert,

I am in the process of buying this note for $11,750. Their BPO/ estimated market value is at $35,000 and the property is vacant and a delinquent tax of about $2100. I ordered my own BPO for my due diligence which I received today and based on the analysis of which they use, the (as is value) is $12,000. When I look more at the BPO the comps that they have used is almost 3 miles away.

Questions

* 1. Can I trust this BPO?
  2. If it is accurate, how do I go about asking for a reduction in sales price, assuming I still want to

proceed with the purchase?

3) How much should I pay for the note based on this current BPO?

Your expert advice is greatly appreciated,

Best regards,

Andre Bastien