Wednesday, Nov 11 2015 webinar



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[content@noteschool.com](mailto:content@noteschool.com) to submit subject/question/deal to a webinar

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1. Appreciation and EXPO
2. Ipad DD link issues?
3. What would you do?

Ipad DD Link issues:

Kevin,

Last week at the appreciation event you were talking to a couple that was having trouble opening DD links in the tape using an iPad.

I did not have the opportunity until today to look at the issue and figure out how to do it. Below are the steps.

1. Must have Excel installed on the iPad or iPhone

2. Click the offering link on the website

3. When the tape opens you should see an option to open in Excel, if not tap anywhere on the spreadsheet and the option should show up.

4. Click Open in Excel

5. After the tape opens you may see a warning stating the file is read only. This can be ignored.

6. Tap on the Click Here link to select the link

7. Tap again to bring up the option to copy or select the hyperlink

8. Select Hyperlink

9. The option to Open or copy the hyperlink should display

10. Tap Open and the Dropbox folder will open with the DD files.

I hope this helps.

Thanks,

Buddy Jones

Scenario:

You bought a NP note for $11,000. It was boarded up and you started the foreclosure process in NY (18 months or more process).

The UPB is $40,000 with penalties and interest ($50,000)

In the mean time: The property owner, Mr. Smith, (QCD) Deeded the property over to Mr. Jones.

Mr. Jones, apparently not knowing about the mortgage, renovated the property to the tune of $19,000 and is now renting it for $800 per month.

Property is worth $40,000.

What would you do?

Student responses:

Is there a DUE ON SALE clause in the mortgage? Yes.

Do you have to resend the demand letter? Mr. Smith owes the money.

If note has a due on sale clause, then we as a lender do not have to accept the new owner catching up the payments?? It’s up to us.

As long as we are talking about an "Assumption", can the note be modified after an assumption by Mr. Jones? {listen to audio answer}

1. Sell it back to Mr. Jones on 50/50 Model. Take $20K and Note out another $20K. That way, Mr. Jones pays $60K for an investment getting $800 a month.
2. Continue foreclosure to add leverage to negotiation with Mr. Jones. If settlement is attractive then settle [short payoff]. However, if renting for 800 / month, it is worth more than 40k. If no agreement, then complete foreclosure.
3. Get an authorization to release information from Mr. Smith in order to talk to Mr. Jones about assuming the loan.
4. Foreclose on the loan with Mr. Smith.
5. Assignment of rents
6. Offer to sell to Mr. Jones for 21K with financing
7. Let him know the property is being foreclosed, ask what does he want to do.
8. Offer 50/50 model: 15k down, 8%,, 5yrs; sale price $40k - Mr. Jones gets to keep property with roughly 300/month income and has home paid off in 5 yrs. You (note buyer) gets initial investment back and then $506.91/month on the mortgage.
9. If there are no outstanding liens, DIL (from Mr. Jones), get an assignment of rents, if you like to keep it as a rental...
10. Take a short pay. Quick and less expensive.

Summary:

* Loan modification/origination/workout
* Short payoff
* Foreclose
* DIL

The rest of the story:

This property (note) is  about halfway through foreclosure  in NY. The original borrower had given the deed to someone else and they rehab the house for a rental. The guy with deed had contacted myself and the servicer to work out a short sale. It fell through on the day the payment was to be made,The servicer called the deed holder saying that he had to take over the loan.  The deed holder was so very upset with the servicer that he hung up on me and said to foreclose.

The deed holder was so upset with servicer that he hung on me and said to foreclose. (I asked the servicer many time we what we had to before we did a short sale with non-borrower) I restarted the foreclosure.

The deed-Holder contacted me last week and wanted work out deal. We had good conversation and I would look into what I could do.

My idea:

If I can set up a Title company as go between, ask for the deed in lieu, so I can stop the foreclosure. And exchange for the deed in lieu, have him make the payment,(in escrow)  then deeded it back to him when the payment is made. ? KS: probably not the way to go. If its short payoff, he escrow the money to the Title company and you agree to provide a satisfaction of mortgage.

In the past he wanted to make three payments, how would you set that up or would just ask for all the cash up front? KS: I want all cash up front.

Richard Cullen