

# Topics Covered:

**Mahmood Motani:** Creating a Note on NP Asset

**Sara Kranitz:** To Trash-out or Note, a Vacant Property

**Roman Tarnawsky**: Seller Financed NP Loans

**Open Mic Tuesday:** If Time Allows

**NotesExpo:** Register for Event and Hotel Reservations

**Questions for the experts:**

1. A note investor is seeking a loan to rescue his collateral from going to a tax deed sale in August 2016, and also pay off a $10K HOA super lien. The property, an upscale Tuscon, AZ subdivision lot in a gated community, is already posted for a trustee's sale for October 2016. The proposal is that the note investor would pay us back (with a lucrative fee) from the proceeds of the foreclosure sale if it sells. If it does not sell, we would get a first position trustee's deed together with a one-year balloon note bearing 18% interest on the aggregate of (i) the amount loaned and (ii) our built-in fee. Our loan to this investor would put us in at approximately 30% ITV. The proposal has come through the attorney of the note investor. We are also making it a condition that we would advance the loan proceeds directly to pay off the taxes and the HOA. There is a junior $800K SBA cross collateralized loan. There is a trustee's sale guarantee from Stewart Title (attached). The borrower is the daughter-in-law of the lender/note investor.

Please talk about how you would paper this deal.

**Mahmood Motani**

1. I have a nonperforming note & mortgage on a property that is abandoned and trashed.  The Servicer gave me a quote to clean up both the inside and the outside and is waiting to hear back from their in-house counsel on expediting foreclosure.

**Questions:**

Should I wait until the property has been foreclosed upon to spend that money?  It's about $1800.  My thoughts for doing it now are so it doesn't continue to be an eyesore for the neighborhood and attract vandals but my thought against was what if the person comes back - I am then out the money?

**Sara Kranpitz**

1. I've come across quite a few of these 0% seller financed loans and I'm trying to be creative.

This is the situation; the Grandmother sold to the Grandson.  He made 14 payments and then stopped.  She doesn't want to foreclose for the sake of family, but she thinks he would be more responsive to a non-family note holder.

SP $125000

Down payment $6000

Monthly payment  $600

0% interest

No term since it is a straight payment to principal

UPB $110,600

Based on 0%, there are 184 payments left

Taxes are $129.14/month and county records show them as paid on a regular basis-not sure who is paying taxes.

14 payments were made.  Property sold 5/11/2012, last payment made was 7/13/2013.

Values for 3 bdrm homes in Rock Hill, SC:  RPR $157000, Z $174333, T $181000, H $140000

Rents range from $800-1040 for a 3 bdrm.

Although located in SC, Rock Hill is 26 minutes from Charlotte, NC.

The grandson is employed, don't know where, what, etc. Grandmother has collected $14400 for her $125k sale.

I have not presented anything as yet to the Grandmother.  The 2 conversations I have had with her were short, but she's obviously frustrated with the grandson and feels taken advantage of.

Is this something you would entertain at 50% of UPB? or is there a number/percentage?

**Roman Tarnawsky**

**NPL Open Mic Tuesday: (If time Allows)**

If you have a question that you would like to ask about a NPL asset or topic please raise your hand or submit your question to the board.

***If you raise your hand you also need to explain what your question or topic is by typing brief description of what you want to cover!***

**5th Annual Appreciation Event and NoteExpo**

**Fort Worth, Texas**

**Highlights from Tentative Agenda**

Wednesday, November 2nd: Titanium Members VIP Event & Reception 5:30 - 7:30pm

Thursday, November 3rd: 5th Annual Appreciation Event 8:30am - 5:30pm

NoteSchool’s 5th Annual Appreciation Reception 6:30pm

NoteSchool’s 5th Annual Appreciation Dinner

NoteSchool’s 5th Annual Live Charity Auction

Friday, November 4: NoteExpo 2016 – Day One 8:30am - 5:30pm

NoteExpo Welcome Reception 5:30pm – 7:00pm

Saturday, November 5: NoteExpo 2016 – Day Two 8:30am - 4:30pm

**Event Registration:** <http://tinyurl.com/2016Apprec>

**Hotel Registration**

We have negotiated a discounted room rate of $169.00 to $199.00 per night at the Sheraton Forth Worth Hotel and Spa, 1701 Commerce St, Fort Worth, TX 76102. This rate is only available if you book your room by October 17, 2016. You can reserve your room by calling 817-335-7000 or by clicking the following link: <https://www.starwoodmeeting.com/events/start.action?id=1607140564&key=AD2757B>

**New email for Content Docs Submissions**

<https://www.dropbox.com/request/Enk7QksdLwgqXgVMK2Bz>

**New email for closing issues** (Includes request for any missing executed post-closing docs)

**PostClosing**@colonialfundinggroup.com

**If you want to Purchase Assets from the call:** **Offering@colonialfundinggroup.com**

**Please Submit Questions to:** **Content@noteschool.com**

**To Buy a Partial Contact Martha Speed at** **Martha@noteschool.com**