

# Topics Covered:

**Sylvia Hoffstetter:** Recording a Land Contract

# Brian Doss: Due Diligence – Pay History & Taxes

**Tirso Navarro:**  Notes vs Houses - Depreciation and Brokering

**2017 Titanium Office Visits**

**Summer Summit**

**DS News Article**

I came across a possible opportunity with a family member who has also been a developer for over 30+years.  He is looking to sell land plats by noting them, then turning around and selling the 1st he creates.

His plan is to sell the plats/lots in the following manner:

* Purchase Price: 100k -180k approx.
* Interest rate: 6-7%
* Terms: 5-10 yrs
* Down: 5%-10%

1st - 40-45% if LTV

2nd 40-45%  remainder which he will keep himself, he said he'd be willing to do these with recourse by either making payments while foreclosing on the second being subject to the 1st and/or re-noting it to a new buyer.

All lots are in or around developed high end neighborhoods and most buyers are doctors, military generals, etc. They are in Virginia near the Quantico military base.

Questions

* I wanted to see first if this is something Colonial would be interested in buying and if so, what kind of a discount might he expect on the 1st given the structure above?
* What might I advise him to do other than vetting the buyer, ensure he has proper documentation, is using a servicer to collect payments, and does not include balloons?
* Does he need a lender’s policy for land?

**Sylvia Hoffstetter**

This is my first note and my biggest concern is that I don’t yet know what I don’t know and hence I don’t know the right questions to ask.

Pros: High Yield, Good Equity & ITV (If online sources are correct?), Green trulia neighborhood, Avg rent is 37% higher than their mortgage.

**Questions:**

1. Please help me in deciphering payment history and taxes.
2. I sorted by regular payment on the spreadsheets that allowed me to do so (How do I read the other type such as the “Sep payment history” doc) Payment history is a concern. They pay toward the end of every month using credit cards and appear to have missed 9-2015 completely. Also, they are in MS which is the worst state in the US for making house payments so I worry about future payments.
3. How do I check for more up to date payment history? Call servicer?
4. How do I check their credit?
5. The attached Tax document shows delinquent for 2015. Does that mean they are delinquent for 2016 as well?

<http://www.co.hinds.ms.us/pgs/apps/real_property_billing_roll_detail.asp?ID=06180120000&IDYear=2016&typetax=1>

1. I read through all the attached docs and I don’t understand how in 2013 home America sold to SFAH and then in 2014 Home America assigned to RiveY Hodges? Also how do I know if there are any other liens not listed as the title policy was from 2011?
2. It appears that Colonial is the originator of the loan. Is that correct?

**Brian Doss**

As we progress into the notes business two issues have come up that we would like to discuss.

1. When comparing owning notes to being landlords, we presented those arguments about not having to deal with tenants, toilets, etc., like Eddie mentions it in his videos.  However, as we've talked to some people, we are getting the argument that **notes are assets that depreciate** (lose value over time) in contrast with owning houses and renting them out. So I was wondering, what would you suggest we say to counter that argument with? Is there a way to make of a note something that could increase wealth?
2. And the other thing is that, through some networking, I've found two people that might be interested in buying notes.  Since this is the first time I do this, I'd like to make sure we do it correctly (don't mess it up), you know? I'd like to go with you through the necessary steps to do this.  Usually I'm not like this, but I've never done it, and I'll admit that I'm nervous with the idea of asking someone for money. I'm sorry about that.

**Tirso Navarro**

**2017 Titanium Visits**

Titanium Office Visit – February 20th – 22nd

Titanium Office Visit – April 10th – 12th

Titanium Office Visit – June 19th – 21st

Titanium Office Visit – July 17th – 19th

Titanium Office Visit – August 14th – 16th

Titanium Office Visit – September 18th – 20th

Titanium Office Visit – October 9th – 11th

**Hold June 2nd and 3rd for the Summer Summit**

**DSnews – Here is How to Find Market Deficiencies (Written by - Eddie Speed)**

[**http://www.dsnews.com/daily-dose/01-16-2017/find-market-deficiencies**](http://www.dsnews.com/daily-dose/01-16-2017/find-market-deficiencies)

**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](mailto:PostClosing@colonialfundinggroup.com)

**If you want to Purchase Assets from the call:** [**Offering@colonialfundinggroup.com**](mailto:Offering@colonialfundinggroup.com)

**Please Submit Questions to:** [**Content@noteschool.com**](mailto:Content@noteschool.com)

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