

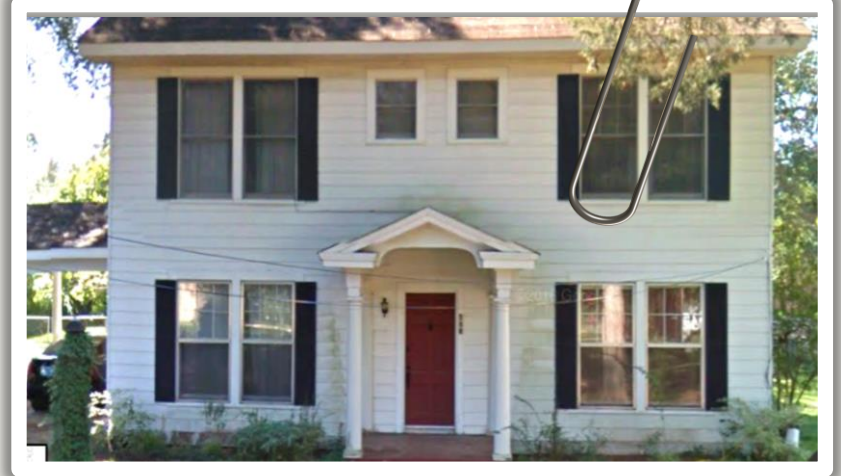
DISTRESSED NOTE



CASE STUDY: Al Curiel

PROPERTY:
Waldo, AR

Current Market Value:
\$36,000



SFR – 3BD/1.5BA
1,850 Sq. Ft.

MORTGAGE NOTE

Buyer's Debt

Loan Balance: \$90,000

Interest Rate: 7.125%

Term: 310 Months

Monthly Pmt: \$606.35

AI's NPL Purchase

- Owner Abandoned The House
- Vacant for Many Months
- Value of House Had Dropped Drastically
- Located in Small Rural Town (Population 1,283)
- Property Overgrown with Weeds and Trees
- Code Enforcement Problems
- Lack of National Property Preservation Company
- Had to Foreclose on House

Purchase by the Numbers

Property Value

\$36,000

Discounted

X 66%

Al's Price

\$13,000

**Owner Severely
Delinquent & House
Abandoned**

*Reason for LOW
Cost of Note*

Distressed Note Process

Foreclosed on House
In Rural Location

Mayor Called About
Property Condition

City Worked With us
to Clean Property

Mayor Called Later
with Potential Buyer

Re-Sell with Seller Financing

Used RMLO -
Buyer High Risk
but Mayor Vouched
for Her

Decided to Take
Chance on Single Mom

Buyer Has Paid 11
Months On Time

Mayor and Borrower
Called

Resale to Penalty Box Buyer

- Mayor Called to Check In
- Asked if Al Had Found a Buyer
- Al Told Her He was Getting Ready to List it
- Mayor Told Al to Wait By the Phone for Her to Call Back
- She Knew a Local Nurse With Two Young Daughters Looking for a House
- Al Spoke With The Lady and Had Her Contact his RMLO
- RMLO Didn't Recommend Al Sale to the Lady

SOLD

Price: \$48,500

Down: \$4,000

MORTGAGE NOTE

Buyer's Debt

Loan Balance: \$44,500

Interest Rate: 9.9%

Term: 360 Months

Monthly Pmt: \$398.24

Seller Finance Note

**Amount
Financed**

\$44,500

Rate

9.9%

**Monthly
Pmt**

\$398

Term

30 Years

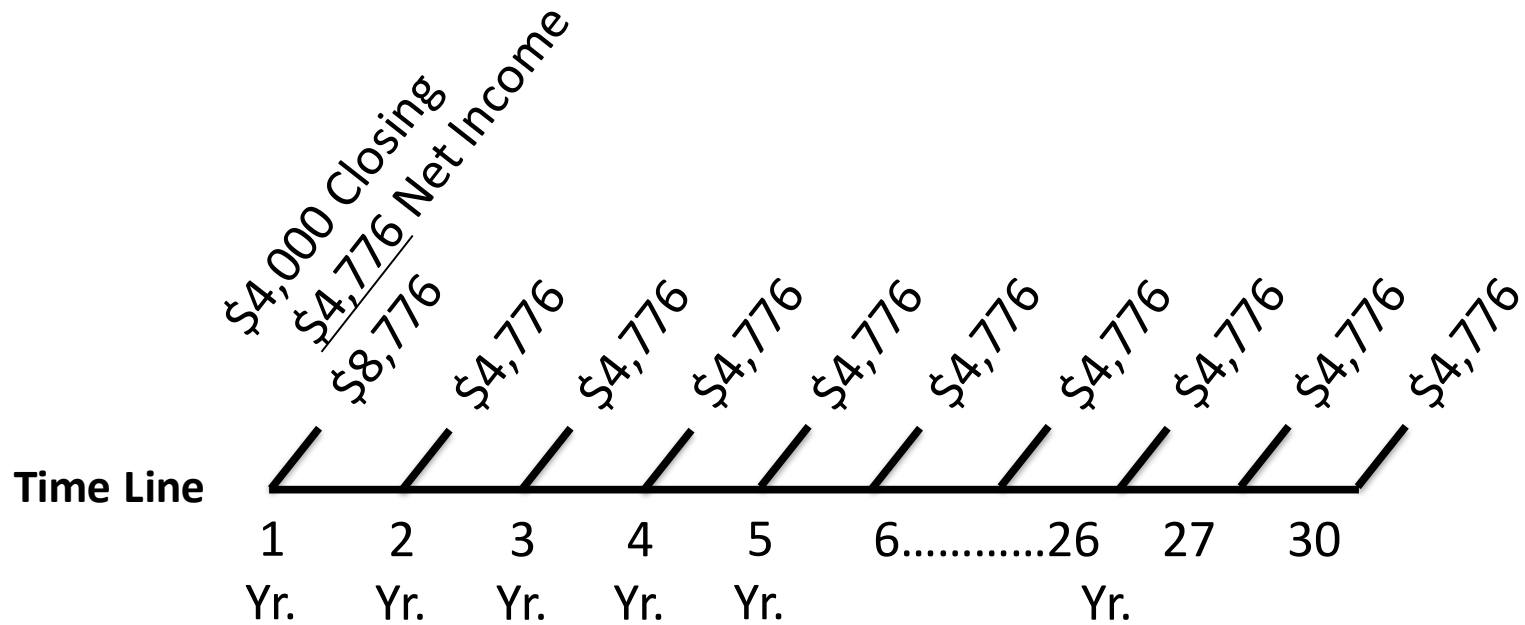


← 360 pmts →

The Math...

Note + FCL Cost	\$18,000
Down Payment	\$4,000
360 Payments	\$143,280
Total Profit	\$129,280

Annual Income



Total Payback \$147,280

What's Next...

- **Sell a Partial**
 - **Pledge**