

THE NOTE HOLDER'S CHECKLIST

Valuable Tips for Selling or Holding Your Real Estate Note

Dear Note Holder:

When you sold your home or investment property, you decided to carry back a note for the new buyer. Seller financing is a growing business. More people are electing to take back a deed of trust, mortgage, or contract for many reasons:

- Quick sale of the property
- Monthly income from the note
- No hassles of conventional financing such as fees, delays, and strict guidelines
- More qualified buyers

There are a variety of reasons people consider selling their payments for cash:

- Retirement
- Taxes
- Investment opportunities
- Expensive medical care
- Vacation or college tuition
- Unexpected financial changes
- Peace of mind...being free from the worry of receiving late payments or having to foreclose on the buyer
- Accounting nightmares, IRS regulations, and paperwork hassles and the list goes on...

If it's CASH you need, let us help!

We are in the business of buying land contracts, mortgages, deeds of trust, annuities, and other sources of payments commonly referred to as "notes." We have been assisting people like you for years, providing cash quickly and effortlessly. We represent a nationwide group of investors allowing us to offer top dollar for your owner financed note.

This brochure was designed to answer questions commonly asked by people considering the option of selling their payments. It also provides important information on maintaining the value of your note.

What is a note appraisal?

A note appraisal reflects the current market value of your payments similar to what a real estate appraisal provides for real property. Frequently referred to as a "quote" it shows what your future payments are worth in cash dollars today. We recommend you have your note evaluated once a year.

How is the value of a note determined?

The value of a note is affected by the down payment, interest rate, payment amount, and term as well as the buyer's credit rating and payment history. The type, condition, and value of the property also impact the value of your note.

The time value of money, which makes payments due now more valuable than payments due in 20 to 30 years, also plays a role in the evaluation process. Generally, due to inflation, money in your pocket today is worth more now than later. All of these elements will be taken into consideration in determining the current value of your note.

How do I maintain the value of my note?

Many of the items that affect the value of your note were determined at the time the property was sold. However, keeping good records of the payments received and requiring the buyer to provide annual proof of current taxes and property insurance will help maintain the value of your important asset.

Notes typically will get the best offers when the following conditions are met:

Down Payment – 20% or more (10% Min.)

Credit Rating – 680+

Interest Rate – Fixed 9-10%

Term – Fully Amortizing (20 to 30 years)

Income – Ability to Repay (45%+/- Debt to Income Ratio)

Reserves – Taxes & Insurance

Servicing Through A Licensed Third Party

If a note doesn't fit into this box it can usually still be bought and sold. The pricing will just be adjusted to compensate accordingly.

Can I sell all or part of my note?

We can purchase all or part of your remaining payments. Selling part of the payments allows you to receive a lump sum of cash up front, then payments when the note reverts back to you. We can even pay cash for a portion of each monthly payment.

Many people elect to sell just enough payments to meet their cash needs today and keep some of the future payments as an investment or nest egg. Always ask for an option that meets your needs.

Call today for a free, no obligation, quote on your note!

314-439-1397