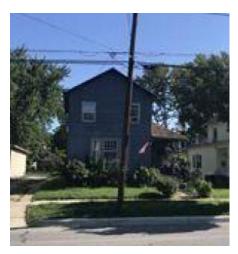


## Note Case Study – Norwalk, OH

## **Opportunity:**

This was a non-performing contract for deed in Norwalk, OH. It was a 3 bedroom, 1,140 sq ft home that was renovated in 2000. The borrower had made 8 payments in the last 12 months, so there was a good chance of getting the note to reperform.



## Financial Details:

Unpaid Balance (UPB): \$29,904 Acquisition Price: \$13,450 Reserve for Expenses: \$11,000 Estimated Home Value (BPO): \$40,000 P&I Payment: \$419

## Outcome:

After getting the note boarded, we contact the borrower to negotiate a forbearance / trial payment agreement. Borrower was uncooperative initially. This loan had been resold a few times, and it seemed that the borrower expected us to also resell the loan. We made it clear that we were willing to work with them, but if we couldn't we would absolutely follow through with the foreclosure. Borrower then agreed to a forbearance agreement which they followed through on. Loan was then resold after several months of seasoning.

Proceeds Received: \$18,400 for note sale + \$3,287 in payments Acquisition Price: \$13,450 Total Expenses: \$2,170 Profit: \$6,607 JV Share: \$3,304 **Total Annualized Return: 30.2%** Annualized ROI to JV: 15.1%