

05.02) How to Sell Your Mortgage Note

Written by Tracy Z. Rewey

Wednesday, 25 August 2010 14:00 - Last revised Thursday, 09 December 2010

Tired of receiving monthly payments?

Wishing for a lump sum of cash today?

If you sold property with seller financing chances are you've wondered about selling the real estate note. Here's how to sell a mortgage note, trust deed, or contract in 7 easy steps.

Step #1 - Request Quote

Just complete a short informational worksheet to receive a free no obligation quote. This can be submitted online, by fax, or over the phone.

Step #2 - Provide Document Copies

To get started note buyers like to see copies of these three documents:

Settlement Statement

Promissory Note

Mortgage, Trust Deed, or Contract

It is also a good time to be sure you know where the originals are located, especially the Promissory Note, as they will be requested at closing.

Step #3 - Accept Offer & Agreement

Once an offer is accepted it will be outlined in a written agreement. In addition to stating the price, the agreement will specify conditions of closing and who pays costs.

Step #4 - Note Buyer Review

The mortgage note buyer will perform a detailed review of the transaction, known as due diligence. This includes a review of the buyer's credit, current tax and insurance status, payer

05.02) How to Sell Your Mortgage Note

Written by Tracy Z. Rewey

Wednesday, 25 August 2010 14:00 - Last revised Thursday, 09 December 2010

interview, and other important items. They may also request copies of additional documents including a payment history, insurance policy, and existing title report.

Step #5 - Appraisal

The note investor will order an evaluation of the current property value. This usually takes the form of a BPO or drive-by appraisal. The investor wants to be sure the property value is still equal to or greater than the sales price. If the value comes in low, the note investor may present a revised offer for consideration.

Step #6 - Title Search

The title search verifies ownership of the property and the mortgage note. It saves time and money to work with any title report that might exist from the original sale date. If the title search shows money is still owed on a prior mortgage it will usually be paid from proceeds.

Step #7 - Closing

When all steps are complete the note buyer will send the final closing documents for signature. The title company is often used to handle the exchange of money for the original note and transfer documents. Funds are typically paid in the form of a wire transfer or cashier's check. You are also encouraged to have your attorney review and advise with the closing process.

Selling your mortgage note can be a simple process when you work with an experienced note buyer. Just take a few minutes upfront to gather your information and documents and they will handle the rest for you!

About the Author:

[Tracy Z. Rewey](#) has been using seller financing for over 20 years. She's helped thousands of buyers, sellers, and brokers achieve their goals, even in a tough economy.