

Don't let partial (fractional) property title stand in the way of success. Here's how to be a HERO to your client

If you're an attorney who attracts clients with fractional interests or defective real estate title ownership, there are a few solutions (and one lender) who may help you and your client use the share as collateral.

Although banks will squirm and retail buyers will run away, it may be possible to indemnify, transfer the risk or bond around the problem. We can often collateralize the asset even if you can't nudge your client to take it - pimples, warts and all.

Of course, if they're enjoying the benefits of possession or control of the property, you already realize that there are limits...

The Bigger Issue (If the Client Wants to Sell the Property)

Nobody wants a 1/4 of a property any more than they want a 1/4 of a car. Yet there are some ways of pulling money out of the equity of the property.

One of the methods is to borrow with a specialty lender who understands these fractional interests and title defects. However, beware the lost

opportunities from last-minute discoveries (as somebody could easily screw up the front end). The easy way to find the discoveries is by running a statement of information along with their preliminary title report (through the general index). As you know, the alternative is straightforward: buy time or accept the risk. What's more...

Here's What NOT to Do...

Don't ignore the threats and opportunities!!

One client had a substantial lien on the property, recorded 9-1/2 years prior. We knew it was very unlikely the lienholder would renew. We completed our loan subject to that abstract of judgment knowing a drop-off would come in a few short months. Sure enough, it did.

In another case, through a number of mistakes of the settlor trustee, a trust only had a one-half undivided interest in the real property. We agreed it made sense for us to lend on this fractional one-half interest under the right circumstances and terms.

"Is the juice worth the squeeze for just a fraction of the action?"

This works because we helped both clients maintain control of the property. Plus, we did this without forcing them to sell at massive discounts to a very limited market. Despite the start, they were still able to pull cash out of their properties completing their time-sensitive objectives. Now if you want a similar result...

Here's the Next Step...

If you have an unusual situation involving a partial/fractional or defective interest in real estate, let's discuss how you can be a hero to your client and still get paid. You can call me at **1-800-779-2552**. Please tell your client the FIRST STEP is to go to our website, **CloseProbate.com** and the SECOND STEP is to call (and they can get started 24/7).




"Property can be distributed and kept in the family just for now... or forever. CloseProbateSM Fiduciary Mortgages are equity-based and non-recourse"

Call me directly to discuss these (and other) property issues:

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- Title or Dispute Workouts
- Elders or Relocation Challenges
- Buyouts & Parent > Child Transfers

(800) 779-2552

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RICK'S RANTS: *Want to read more Solutions and thoughts on how you can be a hero to your clients? Over four decades of messes cleaned up, cow pies scraped off of shoes and real estate alchemy. Our blog is: RickHarmon.com*

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Here are (3) ways I can help you CloseProbateSM

- 1. Borrow on your probate or trust real estate**
- 2. TheGordianKnotShow.com (podcast)**
- 3. CALL RICK - Get guidance and resources**

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