

4-29-04

Linda,

I would like to try to buy your half of the house if I can get the money.

I may have problems because the credit bureau has never gotten my credit straightened out. Mollie said she is still waiting for some info from you to do that.

Besides everything else I have Alyssa's car in my name and am a co-signer with the bank for Melody's house.

I think we would be fortunate to get \$275,000 for this house as there are not many buyers in that market in TN. The original appraisal we had done was actually on the high side by quite a bit. The appraiser told me that he appraised the house as though it was in Marion, which of course the real estate values are considerably higher.

Anyway if possible and you agree to me buying the house at \$275,000 I will try.

Each of our halves would be worth \$137,500.00

We owe Approx. \$50,000.00 to the bank

Therefore it would make each of our halves net worth to be \$25,000 less.

Since each half would be worth \$137,500 we must deduct the amount owed to the bank

Therefore each half's net worth -25,000

\$112,500 each. This would be our net profit after selling

the house to an outside buyer .

In order for me to buy the house I would have to assume your \$112,500 equity plus assume the \$50,000 that we are already into the bank for, meaning I would now have to borrow \$112,500 to pay you off plus \$50,000 on our mortgage, This would mean I would have to assume a loan of \$167,500. to pay you off and pay the previous loan of \$50,000.

It would help a little if I could just pay you \$100,000 when I get my loan and sign a note with you to pay off the other \$12,500 in 18 months.

This way I would JUST have to borrow \$150,000.

I'm willing to put it on the market and ask more but I don't think we could ever sell it for any more. Plus the real estate brokers fee on \$275,000 would be at 6% minimum, would be 16,500.

If we sold it for \$295,000 which would be a very high sale the real estate fee would be \$17,700. \$295,000 - 17,700 would be \$277,300. It would only bring your equity up by a little over a \$1,000.

Advantages of not selling through a realitor would be

1. Selling it quickly and not waiting a year or more
2. Not having to keep the house clean for showings at any time they want.
3. Not having a certain time limit of 30 days to move completely out of the house.
4. Not having to spend money to fix the house up. We really would need to spend a few thousand on a house wash, carpeting the basement, fixing plumbing on the sinks and stool and hiring a complete shampoo of the dirty carpets ect.

5. I'm sure you too can think of other reasons it would be best to just walk away from it with the money in your pocket.

I'm not sure I could pull this off but am willing to give it a try. I'm thinking maybe Denzil's bank might lend me the money.

I think it's probably more than a fair offer. It's up to you we can do this however you want. You probably should get Cher, or your doctor friend or someone you trust to help you make your decision, so you won't later say I took advantage of you.

The reality of this all is---If I thought we could get \$300,000 plus for this house I would take it in a minute, That way I would have enough equity to build myself a new smaller house somewhere else and possible have it paid for.

Danny

*AND YOU TOO WOULD HAVE ENOUGH MONEY TO DO
WHATEVER YOU WISH.*