



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

Nicole Espinosa Talking About The HUGE Increase In Mortgage Defaults – That NO ONE Is Talking About

Hosted by: Joe McCall

Guest: Nicole Espinosa

- Joe:** Real Estate Investing Mastery podcast, and I'm here live with Nicole Espinosa, the short sale queen. We're going to be talking about some of the crazy, awesome things that she's doing. But we're also going to be talking about in this podcast what's going on in the industry with terms of in terms of mortgage defaults. Nicole has been in the center of this for a long, long time. And I've met her just a few weeks ago. And one of the masterminds I'm in and I've never met somebody that has done more short sales than Nicole has. So we're going to be talking about what on earth do you do? How do you do that? Many. And we're going to be talking about a few things like what's going on with the mortgages, the mortgages that are in default. Nobody's talking about this. Why is nobody talking about this or their reasons why? What does that mean for us in the future? When is it finally going to start happening? What are we gonna start seeing these foreclosures in these short sales in a much bigger way? Biden just extended foreclosures. The foreclosure forbearance until what would you say, Nicole? June 30th.
- Nicole:** We extended the foreclosure moratorium until June 30th, which all that means is that no one can do evictions or foreclosures for any government backed loans. Which majority of loans are FHA loans.
- Joe:** So what's happened, guys, we're going to talk about this on the podcast is there's been a lot of people now that are in default. They're behind on their mortgage payments. And whether it's by choice or they've lost their job, it's tragic. It's a bad situation. So we're going to be talking about in this podcast how you can actually help these people, number one, how you can help them. And number two, how you can find some good deals maybe out of what's going to be happening here. So, Nicole, welcome to the podcast. How are you?
- Nicole:** Good. How are you? Thanks for having me. I'm excited to be here.
- Joe:** Thank you. Know, when I heard you the other day in The Mastermind, you did or are doing how many short sales?



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

Nicole: We're doing over one hundred a month. So we have a rotation. We're actually we do a team meeting every morning with the entire team because we're in 14 markets. And so we're constantly collaborating and talking about potential issues and things like that. And like, hey, how many listings are coming in and how many closings are going out? So a lot of human beings.

Joe: Oh, my gosh. How big is this company? Your company?

Nicole: So I have 11 employees, 11 people on staff and I have 14 agents.

Joe: Are you doing this? Are you finding these yourself or are people bringing you these short sales? You're negotiating them for them.

Nicole: Yes. So we're one hundred percent referral is a big deal in this industry. We've been one hundred percent referral, especially at this level of this many listings for about three years.

Joe: Wow. One hundred a month now. Everybody thought the short sales were kind of done. I mean, didn't we stop doing short sales seven, eight years ago?

Nicole: So I don't know what people are doing.

Joe: They're alive and well. So people are referring these short sales to you so that they pay you a fee or do you get a percentage of the profit out of each deal? How does that work?

Nicole: Yeah, so two different types of professionals that will refer to us. Right. So we have real estate investors who are coming across these deals with no equity right there prospecting the direct marketing. And these deals just don't make sense. So they walk away and instead of walking away from the lead, they're referring it to us. In that situation, we're representing the homeowner. So we are the licensed agent that's negotiating on their behalf. And because we're representing them, the bank pays us combustor doesn't have to pass. The homeowner doesn't have to pay us our fee, goes to the bank. And then the second type of person professional that would refer to us as real estate agents because they don't know how to do it.

Joe: To the investor, though, the referral from the investor, can an investor buy the deal?



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

Nicole: Yes. So that's the intention. And the intention is that they can't purchase it traditionally. So they refer to us. We do the negotiations. We represent the homeowner and they're still able to purchase the property from the bank.

Joe: So when an investor brings you a deal, what do you need from the investor?

Nicole: So at that point, they've already established rapport with the homeowner and we are like their partner. So we ask them, hey, when you're referring it over, it's a warm handoff. And at that point they're just telling them, hey, I want to buy the house, but you need to talk to them to see if you qualify because of how much you owe. And so we just need them to set us up for success. Right. Tell the homeowner that we're going to be calling them. We prequalified the homeowner. So we make sure that they would actually qualify for the short sale and we make sure we have everything we need so that we can actually close. We're not going to take on something we can't close because time is the only thing we have. So we do our due diligence upfront.

Joe: So when you close, when you say close, that means that investor who brings you the deal is going to be able to close on that deal.

Nicole: Correct. And not every deal is going to work out. Right, because at the end of the day, there's going to be some traditional deals or retail deals. But yeah, the majority of the time, the intent is that we are negotiating that investors offer so that we can get it accepted from the bank and close and help the homework.

Joe: That's a good distinction. You're negotiating that investors offer on that property. Absolutely. All right. So the investor brings you a deal motivated seller. They're behind on payments. They've already gotten the foreclosure notice. Maybe not. Maybe it's a pre foreclosure. The seller has already been behind on payments. Does the notice of default have to be issued?

Nicole: No, they just have to have some type of financial hardship so they can start to fall behind or they could already be behind. But it doesn't matter in what part of the process it is.

Joe: And obviously, this is helping the seller because the short sale is better on their credit than a foreclosure, is that right?



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

Nicole: Absolutely. I mean, we are negotiating on their behalf at no cost. Like in what world do you have someone advocating for you and it doesn't cost you anything, saving them from foreclosure, settling their debt, and we're selling anything that has to do with the house. So Lean's judgment's taxes, everything.

Joe: How often are you able to get them the short sale approved without a deficiency judgment?

Nicole: One hundred percent of the time. How? Most of the time we don't we don't close or gets that process without it, because then there's no point of the homeowner going through the process if that's the case and just let it go to foreclosure. So if our clients have a legitimate hardship, they're going to walk away free and clear from that debt.

Joe: So what does the short sale look like on a credit report? Do they just see the 30, 60, 90-day lates on the credit report or do they actually see a short sale on the credit report? How does that work?

Nicole: So the biggest thing, credit, obviously, is a revolving factor. So there's a lot of things that go into credit. But how the short sale comes into play is the biggest hit is the missed payments, like you're saying. Because that's something they report regardless of whether they do a short sale or not. Once the short sale is closed, it shows that it's paid. So it shows a paid debt. Sometimes the reported paid settle for less, but it'll always show as a paid debt.

Joe: Which is still better than a foreclosure.

Nicole: Absolutely.

Joe: Foreclosure takes how many years to get off your credit?

Nicole: Well, it depends on when they it starts when they actually record it. So sometimes they can record it years later. But seven to 10 years. Wow.



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

Joe: Cool. Now, the investor who brings you these deals, can you give us an example maybe of the typical deal they can bring to you and that the discount they kind of get? Does that make sense?

Nicole: Yeah, absolutely. So the discount is really we get this a lot like how low can I get the property or what kind of discount? And it's really going to be based off of repairs. So we always tell the investors that we partner with, hey, the best way that we can negotiate your offer and justify a discount is if you work with us on your contractors getting the bids, pictures of the damages, really everything that we can use to get that price down. Now, each bank is going to be different or each type of loan is going to be different. So, for example, on FHA loans, they'll go as low as eighty four percent of whatever that as-is appraised value. So they'll accept eighty four percent of that. When you have conventional, it's 90 percent mostly. Sometimes you can get a little bit lower if you can prove the the damages and things like that. But you have to remember it's the percentage of the as is appraised value. So the key is getting that appraisal low so that the percentage of it.

Joe: I remember I had a friend who was doing a lot of short sales a long time ago, and he would always get a professional mold remediation company to come and inspect his houses. And can you can you guess why? Oh, of course. Because every house has mold, right? Every house has mold. And it looks scary. And there was always an estimate for it to remediate some of the mold problems that was there. Yeah, he would if he saw any kind of hint of termites or foundation problems and things like that. Yeah, I mean, that's not gaming the system or tricking. I mean, that's stuff that can be very, very serious right now. So is that something you see investors do all kinds of inspections done?

Nicole: I'll tell you this. The banks aren't stupid, right? So when like you said back in the day, there was everyone was doing everything right. And so the banks are a lot more strict than they've ever been because there's been so many lawsuits and fraud and of course it only takes how many other people to ruin it for everyone else? But at the end of the day, if a property has is distressed and it rules out any type of financing, it has to go to an investor like we can all agree on that. The banks don't like it, but we can agree on that. So if that's the case, then going to bat for our investor or offer our client is always what we're going to do. The hard part, honestly, just full transparency are the properties that are really nice and the investors are still trying to get a discount. And you're just like, I can't really justify a twenty seventeen house. And on those we do pay for the lead. So if they do get houses



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

that they don't want to buy, we do pay for the lead, which is great because that way that investors still getting compensated on a lead that they would have thrown away because that direct marketing is expensive. Right. So you have people that are watching right now that are spending so much money. I mean, think about how hard it is to get the data and then find the seller and then build rapport with them and then get them on board, only to find out you can't do anything with the lead. Right. It's so frustrating. So with this, it gives you an opportunity to be able to get your ROI up every single lead, right?

Joe: OK, so an investor is listening to this thinking, well, all right, that's cool. You can negotiate the short sale for me. How do you get paid again? Do you get paid, did you say from the bank or as a listing?

Nicole: We're the agent in the transaction representing the homeowner and we get paid directly from the bank. They pay us a commission.

Joe: So when a Realtor refers a listing or one of these to you. How does a realtor who gave you the referral get paid?

Nicole: So the realtor will just get a referral fee. And the best part about our system because we're one hundred percent referral. The way our system works is you get an update every single week. So whether you're an investor, realtor, whoever referred it over, you know, every week, what's going on? Because for me as a professional, my biggest pet peeve was people work so hard to get the business, but nothing to keep it. So you have those people, they can give it to me, I'll do it. And then you're like, OK, I give it to you five weeks ago, what's going on? And you see having to chase them. So we built out a system that every single week the homeowner and the investor or realtor get updates on the thousands so they know what's going on every step of the way.

Joe: All right. And then before we talk about what's going on with the foreclosure or the mortgages that are in default situation right now, because it is really bad. Before we get to that, I want to ask because I know some investors are thinking, well, how do I find these leads then? Right. I mean, I remember back in the day when I dabbled in short sales and foreclosures back in the past, but so much has changed over the last 10 years. Right. I'm not really done much with it. How does an investor find these sellers who might be behind on their payments and can maybe offer to help them do short sale? Does that make sense?



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

Nicole: Yeah, absolutely. So the biggest thing is that you need to make sure in order to qualify for the short sale, they have to have some type of financial hardship. And the easiest way to prospect for that is someone that is either late or behind on their mortgage rate or that they're facing foreclosure. And they and the other part of it is that they have to have no equity. They have to owe too much between their mortgage balance, HOA closing costs, all of that. And the easiest way to determine that is if the homeowner was to sell the house, would they have to come to closing with money after it's all said and done? That's the easiest way to determine if someone is upside down. So in it for an investor, what we always say, because we get this a lot like I just want to market to short sellers. I just want a prospect. And the way we look at it is it doesn't make sense just to prospect for short sale specifically. You just need to have an exit strategy for every single lead that you're prospecting. Right. So you have to have a motivating factor which is there behind. And if you determine that the numbers don't make sense, then now, you know, OK, I've identified this as a short sale and I have an option for this homeowner. So you look at it as this is another tool in your tool belt instead of turning them away or walking on walking away to the next deal, because most investors that get into this business, especially new investors, they're only focused on one thing. And what they should be doing is trying to capitalize on every single conversation that they have. If they can't do it themselves, if they have the tools in their tool belt to make sure that someone else can, they can.

Joe: Part of that makes a lot of sense. I'm looking at the source right now for foreclosure prospects. There's lists that you can buy and it's not as big of a list as it used to be. But it's pretty crazy how you can see just through list source that anybody can get a list of pre foreclosures where the default has been issued and has been under pre foreclosure. But you're absolutely right. Sometimes by the time it hits this list, that seller has already gotten a bunch of letters and postcards and people coming on the doors, right? Absolutely. And it's a very competitive list. It's a small list. The best time to find these sellers are when they are already late on their mortgages. And how do you find them? Well, there's not an easy way to get that list that I know of. I was just asking Nicole before we started years earlier, and she doesn't know how. But like, you find those sellers, though, by doing them the regular normal marketing that you do.

Nicole: So, which is pretty powerful, even in a competitive like you're saying, people are getting lists and they're getting calls and mail and all this other stuff. It doesn't really matter because the majority of the people that are prospecting have no clue how to help these



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

people. So you will always stand out from your competition when you try and educate these homeowners and try instead of selling them on selling your house fast. Because I have cash and I think a lot of people, if they understood that they would get more contracts every single time because they would spend more time trying to connect with that homeowner and explain and educate them on where they're at. But that starts with you knowing. Right. So it starts with you knowing and understanding what's going on and how they're how it plays with those homeowners that are behind.

Joe: And later on, we'll give you everybody listening here a link. We can get more information from Nicole in the short sale queen, what she does. I'm sure you have training in there available for folks to where they can learn how to present. These options to the sellers, right? What to say, what not to say.

Nicole: Yeah, so I actually have my YouTube. We do weekly videos and for free on education for real estate investors. So it's the Short Sale Queen. So they go and subscribe and watch videos that's free. And then of course, you put the link for my website, but we put a lot of information out for free.

Joe: So the short sale or cleanroom some version, are you still Queen W e and to his right?

Nicole: Yes. There you go. There you go.

Joe: I just look up on YouTube, the short sale queen, or just Google the Short Sale Queen. So I'll give you guys Nicole's links. All right. So let's talk about President Biden issued a four or extended the foreclosure moratorium to June 30th. I'm assuming that's the same with evictions, right? So it's a moratorium on evictions and foreclosures. Is that correct? When they did this, though, is it he's only delaying or pushing back foreclosures from somebody who has fallen behind on payments because of covid? Or is it just all across the board? All of them?

Nicole: It's all across the board. So the majority of. So all of this is political, right? So he's coming in and all we're doing is just making a bigger mess because they're trying to figure out like, how do we delay the inevitable? The reality is we have so many people that stopped paying that automatically went into forbearance or stopped paying because of covid, which was only supposed to be temporary because forbearance is only designed for temporary



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

hardship. Right. So when you are behind that long, the only way to catch up is either to pay in full, which if someone didn't have one month, they're not going to have a year's worth of payments. Right. Or they have to restructure their loan. OK, so what that means is they have to apply for a loan modification and that's going to put them in a worse situation and not everyone's going to qualify for that. So now you have. And so according in the announcement, when they announced that Biden extended it again, they said that ten point one million people are in default right now, ten point one million was put that in context.

Joe: What does it normally?

Nicole: So for me, when I first saw that number, I was like that. That is so high. Right. So when last year it was like two to three million people were in forbearance. And so I did some research because I wanted to see and perspective of when the market crashed, when I first got in the market into the real estate market, it was when it crashed in 2009 and the highest rate of default was 2010. Right. So when I did some research in 2010, it was two point two three percent. And that was the worst our economy has ever seen, two-point three percent. And that's two point nine million foreclosures. And I was blown away. I'm like, holy cow. So you're telling me that when shit hit the fan and it was the worst of the worst, we were at two point nine, two point nine million foreclosures. And right now we have ten point one million people that are in default. Now, obviously, not everyone is going to go to foreclosure, but have ten point one million people that are behind on their mortgage and have to do something. And the scary part is, is that no one's talking about it right there, just casually putting in the article. And you guys can look it up like in the announcement, it says it right there because it would cause a panic. But what professionals and investors and what people should be thinking about is, OK. So in the next six months, the entire market is going to look completely different. And if you set yourself up now to educate yourself, to put yourself in a position where you know how to help these people, you're going to kill it. You're not only going to help more people, but you're going to thrive above everyone else because you're doing this before everyone else is talking about it. Right now, homeowners are trying to figure out what to do because they're on borrowed time.

Joe: Let's talk about what are the banks going to do? Now somebody might say, well, look, this is different than 2009, 2010, because the house values were plummeting and they were



www.RealEstateInvestingMastery.com

falling. Now, house values have been rising. Pretty strong demand for housing. Why won't the banks just keep on issuing? What are they called? They modify the loan. Why don't they just keep on doing what?

Nicole: You have to remember that they have to qualify for a modification. Right. So the homeowner has to prove that they make three times the amount of the mortgage in order to qualify. So it's not like the banks can just say everybody modification. They have to actually go through that. So that's first of all. Second of all, I challenge what you just said as far as the market being so strong, only because right now everything's protected. So the only reason why it's different right now is because there hasn't had an opportunity for tenants to be evicted. There hasn't been an opportunity for people to go into foreclosure. So the difference is, is that we never had when the market crashed, we never had any type of protection. We didn't have stimulus money going into being pushed into the economy. So we really don't have a gauge of what the market really is. We just know that there's no inventory, so when there's no inventory, people need homes. So of course there's going to be a spike. But what's going to happen in after June or if they extend it again when whatever the actual time is, when everything's on the table and people start getting evicted and people start getting foreclosed on, they'll look completely different.

Joe: I was just looking at an article I keep on thinking of these things that I read in the last few days. And I was talking to Nicole before we started the podcast, like, oh, I saw a really good chart that showed, like the decline in mortgage defaults. Then all of a sudden this huge spike up over the last six months. And this was a chart over the last 10 years. And it's been going steadily down ever since. And then in the last six months, it spiked up. And the peak where it's at now, in this chart, if I find it, I'll put it in my Facebook or something, or if somebody's listening to this knows what I'm talking about. Look, let me know where it is, but that peak is almost higher than it was back then in 09. And so it's just it's insane. And a lot of people are. You're right, not talking about it. Although I did see an article as just look, I'll look at this in a minute here where there's big concerns now of what happens when the eviction moratorium is lifted. Are all of these landlords are just going to go out and start doing a bunch of evictions? Who knows? But we need to be ready for it. I mean, what's that phrase that you got to be plan for the plan for the worst and be prepared for the.

Joe: How does that saying go anyway? But we got to figure out how can we put in a position where we can help these people who are going to be facing foreclosure, but also profit



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

pretty immensely from this? There's a lot of opportunity coming in. Some I've heard some people talking about a foreclosure tidal wave, a tsunami that's going to be happening some time. So who knows what the government's going to do. I mean, they may release the moratorium, but then also give some assistance to homeowners. And where does that money go to? And all this money that the that the government is printing, what's going to happen to inflation down the road?

Nicole: Where are they getting it?

Joe: So you're actually right now, which would have been more prepared with these charts. But I've been seeing people talk about it and it's all underground. Almost feels like it seems like nobody in the media.

Nicole: You know what? It makes total sense why no one is. And it's the same concept that no one talks about it until everybody talks about it. Right. But it's crazy from my end, just to see behind the scenes the huge impact that's already taking place. The lenders right now, their review times are almost double than they were six months ago because they're overloaded on applications. They're hiring like crazy. So there's so many key indicators of what's happening and what's going to happen and stuff that people just aren't talking about or even know because we're in a different world.

Joe: Here it is. I found the article. There you go. There it is. OK, TIME magazine just the other day, the crisis around the corner. It's right here, the crisis around the corner, millions of tenants. This is just tenants. Yeah, millions of tenants are behind on rent. Mom and pop landlords are struggling and a looming wave of evictions will make everything worse. And so this is a really long, detailed article about it. And this is just talking about the eviction moratorium. So, again, Nicole, just what would you recommend to people how to be how to be ready for this when we start seeing it happen?

Nicole: So if you don't take away anything else from what we talked about today, I think your biggest objection as a real estate professional, whether you're an investor or whoever is listening, is to educate yourself on the options that homeowner has, the homeowners have. And the reason why is because if you fully understand and you can be a resource for the community, you're going to get more deals, you're going to get more referrals, you're going to get more business, and you're going to be able to help more people.



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

- Joe:** Yeah, think this is why I love doing my podcast live on YouTube, because somebody finds out. Tell me what I should have said. Hope for the best plan for the worst.
- Nicole:** Thank you all the time. I tried not to say phrases because I screwed up every time and I'm like, and then you're like, yeah, that's it.
- Joe:** And you're embarrassed. And then it gets worse because you're embarrassed. By the way, here, we've only got to cover a few more minutes. Guys, if you have questions, this is the place and the time to type them in the Facebook and the YouTube chat. And we'll give these questions to Nicole. I've got some here. This is, Nicole dropping gems. So what's up, RJ. Arlene, Nicole is the queen of short sales.
- Nicole:** She actually just graduated from a mentorship program.
- Joe:** Another fan, John Jackson, John Jacksons. I know John. He's a goofball. She's the expert of all experts on short sales. I am. All right. Here's a question from Mike. Are your services nationwide?
- Nicole:** They absolutely are. We're currently and we operate in 14 markets right now.
- Joe:** Can you do more or is that just what you?
- Nicole:** Just won't go into anything markets, I just I mean, state, so we won't go into a new state or market until we have all of it set up. Right. Like title partners and agents and things like that. But yes, we do have the ability so if it makes sense, we are definitely open to expansion.
- Joe:** And then somebody is asking here, I missed at the beginning, what is the name of your company?
- Nicole:** The Short Sale Queen. You can't see the background but The Short Sale Queen.
- Joe:** All right, nice. The short sale. And I'm going to put your website here. And the banners give people a little bit more time to ask question. What is your website?



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

Nicole: TheSSQueen.com.

Joe: The SS Queen dot com. Are you active on Instagram? Do you have me on Instagram v Nicole Espinosa. Well I got to write that down now. I g I did the Nicole Esparza. S t i and say five bucks, I got this wrong, yep, put the whole thing and they know how we can manage that.

Nicole: And I'm really active on Instagram, always posting videos and information, things like that.

Joe: I know you don't have that. There you see it. All right. So now the questions are coming in. Let's pull some questions here. You speak Spanish. Yes. So our whole is through that. He's asking, does she speak Spanish?

Nicole: My whole office is set up. So we have three people in the office that speak Spanish. We have a lot of bilingual clients.

Joe: All right. Here, Jason. Oh, Jason Lucas. He's in the house. The market is doubled compared to where it was back in 2008 with mortgage defaults. Could get pretty nutty here. It's an absolutely very good comment here. Do you know my screens kind of acting up here? Do you know of any attorneys or title companies in California that can close to and lease options? Yeah, but we can talk about that offline. Where do you find out more about your mentorship? OK, somebody is asking about Florida.

Nicole: Yes, we have actually have an office there.

Joe: Awesome. I'm getting a lot of questions here that are aren't related to short sales are mortgage defaults. So I'm hoping that Peter's asking me a question here, I guess is this an acceptable to add as an additional option in wholesaling? So I guess when you're talking to a seller, you really need to find out their situation, right? Are they behind on payments? Are they about to be behind on payments?

Nicole: So remember, this is an exit strategy. So if they are upside down, they owe more than the house is worth. You can still wholesale the short sale. You just do it through the bank. Right. And in order to wholesale, you can't assign the contracts in the short sale. There are actual I mean, and this is going to take a long, drawn out explanation. I have a whole video



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

on it on YouTube, but the short version is you can do a double close and it is an option. You can do it. So however you end up getting the property, you then determine, do I hold onto it and take it down? Do I flip it? Do I wholesale it? After you get that price back.

Joe: Then somebody else is asking here, what are the license requirements to do short sales?

Nicole: So you have to have a real estate license in order to represent the homeowner and get paid a commission.

Joe: Somebody else is asking, what is the link? What was that TIME magazine article? And I have it right here. I'm going to share my screen, see if this down the crisis around the corner. Yeah, I just opened the news app on my is this it here. You guys see this? Oh, look at that works. Let me remove my banner. So this is an article, millions of tenants and this is from Time magazine. And it goes down into quite a bit of detail and depth about this. And this is just one of many articles that I found. But if you're using the news, here's some stats.

Joe: Fifty-eight hundred and fifty dollars, the estimated average rent and utilities that nearly 12 million tenants owed as of January. So the average rent and utilities that a tenant owes in January was fifty eight hundred bucks those two months ago, the percentages of one unit rentals owned by landlords who are still paying off their property. So thirty nine percent of all rentals out there still have mortgages on them, which sounds kind of low. And I have heard this too, that one third of all homeowners in the United States own their house free and clear. One third party. Thirty three percent. It's a little bit higher with landlords, maybe. Thirty five percent is the estimated percentage of total eviction filings that were sent to black renters amid the pandemic despite moratorium. So despite the moratoriums, thirty five percent of the total eviction filings were sent to black renters. I think I read that right in proportion of landlords in the US who are white, three and four. Seventy five percent of the landlords are white. So I don't think this is a race issue, but maybe it is things like I might have if they put that. But this is maybe that's what they talk about. Maybe it is. I don't know any other questions here before we wrap this up, any other questions or comments? This is from Jason. Not all banks will allow an A to B, B to C transaction with the deed restrictions. We talk about that.

Nicole: Yeah, absolutely. So that's why I said absolutely, Jason. That's why I said I go into detail and YouTube because there's no way to go over all of it. In a short answer, your strategy is



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

going to be based on whatever the bank allows. So with certain loans, FHA, sometimes we'll do that with debt. We've seen that with deep restrictions, which means that you have to hold onto the property. Generally, it's the same verbiage for all the restrictions where you have to hold it for 30 days and you can't sell it above a certain percentage. So basically, all in all, you have to hold onto it for 90 days, but you can do a double close. If there are no restrictions, you can take it on however you want. There are a couple of different strategies you can do with short sales to. Still wholesale, but like I said, I go into detail in the YouTube video, but you have to look out for that and a lot of times you won't even find out about the deed restrictions until it's already approved.

Joe: So very good. All right. So your website again, Nicole, is the SS Queen Dotcom? Yes, sir. We can find you on Instagram @thenicoleespinosa. There is no dotcom in an IG handle.

Nicole: For free resources and videos, is YouTube. I mean, we put a lot of information out there. We have a pretty, we've spent a lot of energy trying building that up in this last six months. And YouTube is a whole other animal, but we try to put as much out there as possible.

Joe: All right. Well, Nicole, thanks for being on the show. We appreciate it and wish you the best of success going forward. I know a lot of people listening to this are going to be I'm hoping will refer to their short sale leads to you. There is a lot that, again, you got so many fans here.

Nicole: I work with a lot of, he's out in Houston.

Joe: Awesome. All right. Thanks again, Nicole. And again, guys, if you want to reach Nicole, go to the SSQueen.com and we will see you all later. Take care, everybody. Thank you. Thanks.