

The Banking Challenge

- I have a house in Texas worth USD 300,000 with about USD 20,000 mortgage
- What I would like is a line of credit secured against that house settled in bitcoin. I intend to use this line of credit to fund small businesses in Hong Kong
- Interest rates negotiable but I would be willing to pay about 5%

- I will pay a USD 2,000 fee to any group that makes this loan happen, and allow that group to access USD 10,000 of the credit limit.

- The reward is not enough for the time and energy that will be necessary to put into this effort.
- But if you get a channel going, you can use it to create loans for other borrows. There are lots of people in Mainland China and Hong Kong that have property in the US, and if you can figure out how to turn this into an ATM.....

- What you will need to do
- Worry about the details – Use google to do a lot of research
- Call people up

- Why banks won't touch this.
 - I am in Hong Kong
 - House is in United States
- Normally the US would use a conforming mortgage
 - Because I am self-employed I do not have an income
 - Because I am in Hong Kong, any income that I do have is not subject to US judicial processes

- Texas has some restrictions regarding second mortgages – Need to research those
- Also, need to make sure that 1) you can trust me to pay back the money and 2) you can take the house if I don't.
- A lot of legal details. But you can research this on google.

- What you will need
 - Someone to provide the funds (anyone with a rich uncle?)
 - Crowdfunding? Can you crowdfund?
 - Someone to do the legal work
 - A foreclosure agent in case everything goes wrong
 - Who is going to mow the lawn if the house gets foreclosed?
- I can provide some leads

- Research

- Would there be any way for a US lender to access any assets I have in Hong Kong?
- How are you going to service the mortgage (i.e. who sends out the statements)? Who actually goes through the foreclosure process.
- How do we avoid destroying the world if everyone does this?

Due diligence

- How do you know I will pay you?
 - More research in HK contract law.
- What happens if you have several people involved?
 - You figure this out. See it's not that easy

- If you can figure out how to do this, then the gates open up.
- Right now, you borrow money from the bank, you then deposit the money back into the bank, they bank takes your money.
- Why can't you use your own house as an ATM?