

Mortgaging the Past

By Reg P. Wydeven
May 27, 2006

'The da Vinci Code', one of the most highly-anticipated movies of all time, was released last week and smashed several box office records. The controversial film is based on the equally controversial novel by Dan Brown that puts a fictional twist on Christian canon.

The secret that could crumble Christianity can only be deciphered from clues in Leonardo da Vinci's works. Following the strict Hollywood tradition of recycling hugely popular ideas, I will now share with you the story of Leonardo da Vinci, with a twist.

Everyone knows that da Vinci is famous for his sculptures and paintings like the 'Mona Lisa', various inventions, and literary works. da Vinci attributed his genius to being left-handed, for being in the minority allowed him to see beyond the ordinary. Being a southpaw myself, I would have to agree.

Few people realize, however, that on April 8, 1476, da Vinci was accused of sodomy with a 17 year-old model, Jacopo Saltarelli, who was a notorious male prostitute. He was acquitted after spending two months in jail because no witnesses stepped forward. Afterwards, da Vinci was kept under observation by Florence's Officers of the Night – a Renaissance organization designed to suppress the practice of sodomy.

da Vinci was also believed to have had a homosexual relationship with Giacomo Caprotti, who was his companion for 30 years since moving in with da Vinci at age 10. Caprotti inherited a vineyard near Milan from da Vinci upon his death.

Now for the twist – let's say that in 1476 a witness had come forward and testified that da Vinci had committed sodomy. He would have undoubtedly been jailed, and if he still owed the 1st Bank of Milan money for purchasing his vineyard, the Bank would have been forced to foreclose since he no longer could earn an income.

Fast forward to 2006 – interest rates are steadily rising, and health care costs and gasoline prices are through the roof. Many homeowners who took out adjustable rate mortgages (ARMs) with low interest are now or will soon be paying at much higher rates, and they will no longer be able to afford their homes. According to RealtyTrac, a California company that tracks foreclosed properties nationwide, the foreclosure rate in March was up 63% compared to last year.

Many people believe they can make a fortune buying foreclosed homes for a steal and then reselling them for a huge profit. Finding these hidden jewels is probably harder than cracking da Vinci's code.

The difficulty with buying foreclosed homes is that you buy 'as is' – potential purchasers typically have no opportunity to inspect the home before bidding. Winning bidders may open the door to discover holes in walls or ceilings, mold, pet 'accidents' or worse.

Sometimes the original homeowners refuse to leave, so the buyer has to pay for a court order to have them removed. Finally, the successful bidder must pay for the home in cash, and take title subject to outstanding property taxes, which can often run into the tens of thousands of dollars.

If you do your homework, you can definitely make money buying foreclosed homes. But I'll expose a 2,000-year-old conspiracy by revealing a secret about foreclosures: if a house is valuable, the homeowner probably would have sold it to avoid the foreclosure.