

# Get a Great Deal

## SAVE A BUNDLE BY PURCHASING A FORECLOSED HOME

**H**ouse hunting with a little wise planning and smart shopping can save you a bundle. The foreclosure market is flooded with real estate inventory ready and waiting for the next buyer.

Although many people are interested in the foreclosure market, not everyone has the know-how to get started.

Buying a foreclosure is a similar process to buying a home the traditional way with the added bonus of deep discounts. You may not find exactly what you had in mind, but the price is usually right to leave you some wiggle room to roll with the pros and cons on each property.

### BE REALISTIC

With a shifting economy and uncertainty with home values, not every foreclosure sale has a green light to generate income.

If you are motivated to buy a foreclosure for investment purposes, you must be realistic with your purchase price and intended market sale price. The nation is flooded with discount properties held by frazzled lenders, so buying a cheap foreclosure with intent to jack up the price for resale could be a dangerous move.

Unless you are well-equipped to pay the property taxes, rehab costs and take a deduction off the final price for real estate agent seller services, the foreclosure may not be the right investment for you.

Buying a foreclosure as your primary residence, though, is an excellent idea to save big bucks on a quality piece of real estate. You may take your time with cosmetic repairs, gradually increase the upgrades, and breathe easy as the housing market hopefully begins to settle.

### WORK YOUR WAY UP

Rather than purchasing high-risk, expensive homes that may be sluggish on the resale market, many foreclosure buyers opt for the cheaper home-buying route.

First, find a foreclosure with the square footage, location and minimal repairs within your budget and plan to stay in the property for at least two years. You may be able to spruce up the home for market, fetch a fair and equitable price, then make your next foreclosure purchase.

Each time a foreclosed property is sold, there should be some profit to work your way up to larger houses and better neighborhoods. Rome wasn't built in a day, and neither is independent wealth through the real estate game.

The slow, methodical steps will get you to the finish line on time while eliminating the stress and pressure to recover the home purchase costs in a fast-and-furious flip before the property taxes are due.

### SEEK A REALTOR'S HELP

Foreclosure purchases are best handled by a select few real estate professionals who know how to get the fast funding and move the REO properties for the banks.

The buyer's agent is typically a free service, so it makes no sense to cut a real estate buyer's agent out of the deal when they could provide you with help through the process.

Check your local real estate offices for agents who specialize in foreclosure properties. Although the foreclosure inventory will not be as extensive as the regular real estate inventory, be sure to keep an open mind to find a steal of a deal.

Online foreclosure sites are also popular resources, but they can also be confusing and misrepresenting of some properties. For the first-time foreclosure buyer or all those who want an agent to handle the tough stuff, a qualified local real estate professional is the best ticket in town for smooth sailing and rock-bottom rates.

