

BUYING FORECLOSURES

By Elise Vetri Licensed Professional with Keller Williams Realty

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You can save Tens of Thousand of dollars right now without ever earning a dime. If you have ever wanted to save money but just don't have enough left over after paying the bills, well now is your chance and this may be your only chance of a lifetime. Property values are the lowest they have been in years and banks are overwrought with foreclosed properties. You don't have to be a speculator or well healed investor to buy these properties and you can get them for thousands less than actual value

Without buying at auction.

In this letter, you will learn all of the ins and outs of buying a foreclosure and save thousands and in some cases, tens of thousands of dollars in the process.

In the not too distant past, in order to get a great deal on a property, you needed to do lots of legwork to look for public auctions. These are properties that the bank has foreclosed on and by law, have to offer for sale to the public. In order to buy a property at an Auction you need to show up with a cashier's check in the amount of \$5000.00 to \$10,000.00, depending on the requirement. If you need financing, you have 30 days to attain necessary financing. You are buying the property As IS because you are not allowed into the property to preview it. You can only walk the grounds and inspect the house from the outside. Very rarely does the bank let you buy the property because the bank outbids all of the other bidders because they do not want to "take a hit" on the



property by it selling for too little. So they typically buy the house back and resell it at a price they deem more acceptable. There are many pitfalls to this for the average buyer IF you somehow end up as the winning bidder. The most obvious is once you take possession of the property and see what you bought; you may not be financially or emotionally prepared for what you find. Having the opportunity to preview the home's condition just as you would an antique piece of furniture at an Estate Auction is the only way to know what it is you are really buying. Condition issues range from the unthinkable damage done by disgruntled owners to incomplete construction and mechanical projects. You also get to inherit liens such as unpaid taxes and municipal bills. The deal you thought you were getting is no longer that great of a deal.

What is a better way to buy?

Contrary to public opinion, in many cases a buyer can get as great a deal on a property WITHOUT Buying at auction. Banks do not want to be Landlords nor property owners. And because there are so many foreclosures, the banks are motivated to sell. According to a 2008 statistic, it costs on average \$70,000 for each property a bank owns. This presents a fantastic boon to the buyer because of the high degree of motivation at this point. Once the property is REO you are able to gain access to the property to inspect it for soundness and truly know what you are buying. Here are other benefits of buying a REO property.



A property in Smithfield that Sold recently for 155,000 versus its assessed value of 200,000!.

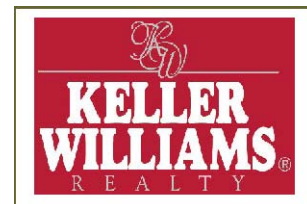
- 1) Able to Inspect with a Licensed Inspector
- 2) Can back out if defects are found or unable to obtain financing
- 3) Not liable for unpaid taxes or municipal/contractors liens
- 4) Can ask the bank to make repairs that they may do on some occasions
- 5) Receive clear title that bank must ensure

How do you Find These Deals

A buyer may now search for REO properties the same way he/she looks for any other property online. How these properties get listed on the Web is by Real Estate agents who are now able to list these properties for the Bank. The bank has employed the services of a Realtor sell the property on their behalf. Once the property is listed on the Real Estate Agent website called the MLS (Multiple Listing Service) the consumer can search for these properties on consumer websites such as www.riliving.com or www.elisevetri.com. Generally these properties

are found by price as being the lowest priced homes in the search or by description if the agent included the fact that it is a REO when listing it. I provide a list of foreclosures free to my clients that relates to their area of interest and price range for free. It is imperative to seek out the assistance of an agent when buying these properties because of the mounds of paperwork that accompanies such a transaction. Just like any Real Estate transaction, buyer representation is free.

“He who hesitates is lost” as we may look back at this time as the biggest and best buying opportunity of the century.



Elise Vetri is an experienced agent with over 80 transactions completed in last 5 years ranked top 10% of all RI Realtors.

***Here are some examples of recent foreclosure sales
Sold within last 90 days. Each sale produced an
opportunity for buyer to earn instant equity***



Adorable Cape on Dead End street in North Smithfield. Lots of updates, New Kitchen, expansive porch, on very 1/3 acre.

Sold Price 155,000
Assessed at 214,300

MULTIPLE LISTING SERVICE
MLS



Cumberland Cape
Recently sold at 160,000 and is
assessed at 318,800 Sits on
.92 acres



Smithfield

Sold for
120,000

Assessed at
214,400 On
¼ acre lot

MULTIPLE LISTING SERVICE

MLS

Typical Mortgage Payment on Loan amount of 120.000 at 6%

720.00 Principal and Interest
250.00 mo/taxes
100.00 Homeowner Insurance
150.00 PMI if less than 20% down payment
1220.00 monthly payment

Loans rates as of 2/12/09 are 5.25% to 5.5% depending on the buyer profile.

Written and Published By:

Elise Vetri Keller Williams
Realty No RI
elise@elisevetri.com 401-
651-1138