

There Is Money In Pre-Foreclosures

Learn how to purchase real estate for well below it's market value through the use of pre-foreclosures. Dealing in pre-foreclosures can be very profitable if you know how to find and acquire these type of properties. Purchasing pre-foreclosed property just means that you purchase real estate from an owner who is in default on their bank loan and have been notified by the bank with a foreclosure date.

Purchasing this type of property from the owner before the bank foreclosure date does have some benefits:

- 1) The value of the property can be well over the amount you purchase it for.
- 2) Property is usually acquired from the owner for only a few thousand dollars.
- 3) The previous owner of the property will now have the cash to find a new home or place to live.
- 4) Closing can take place in only a few days since it is a cash deal and you are dealing directly with the owner of the property.

In Dealing with pre-foreclosed property there are also some vital things to consider before purchasing:

- 1) Know the entire amount of equity that is in the property.
- 2) Know the entire amount that needs to be paid to the bank to stop the foreclosure.
- 3) Know the entire amount needed to pay off the entire bank loan.
- 4) Know if there are tax liens (or any other type of lien) on the property.

Great deals can be found in dealing with pre-foreclosures however, all of the previous information should be completely considered before purchasing pre-foreclosure property. This information can usually be found by searching public records.

Now that you know some of the advantages of purchasing pre-foreclosure property and what to consider before purchasing it, the next step is to know where to find these properties and what to say to their owners. Finding these properties can usually be done by searching public records. Usually there are companies or organizations that have already collected this data for specific areas or locations and will sell it to interested investors for a few dollars. Contact your local government to find out more info.

May you have success in dealing with pre-foreclosure real estate.

Please visit RealtyCapitalist.Info to view a sample letter that can be sent to owners of this type of property.

About the Author

Daniel Cobb lives in Chicago, Illinois and is a former realtor who is now a real estate investor. He is also author of the e-book, "Complete Guide To Investing In Real Estate Through Government Scavenger Sales" - an informative e-book on how to purchase real estate through government auctions.