

Selling to a Real Estate Investor

How to Sell Your House Fast for Top Dollar with the Least Hassle



Dear Friend & Neighbor,

As you are well aware, we are in the middle of the worst economic downturn in our country's history. The Champaign Urbana real estate market has seen considerable trouble for the past few years. The number of houses listed for sale on the MLS (Multiple Listing Service) is at an all time high. There are many reasons for that, and we will cover a few below.

Many people know that the Illinois market was not hit as bad as some of the other states, however home values have seen a decline. When people are asked what they believe their home is worth, most people say "a couple of years ago my home was worth \$150,000". The trouble is that real estate values have gone down (in some cases significantly).

Foreclosures, Short-Sales and an abundance of houses for sale in the area continue to keep the real estate market soft. In addition, the pendulum has swung the complete opposite direction in regards to funding. This has made it extremely difficult for buyers to qualify for a loan today. If buyers can't qualify for a loan, the inventory of houses for sale will continue to rise.

So what's the future hold, you ask? Well, the balance between supply and demand may not be fully achieved for several more years. This means that we won't expect to see any significant increase in values until after this point or beyond.



So what do you do if you want or need to sell right now? How do you compete in a market where there is an over abundance of houses for sale and where buyers are finding it more difficult to get home loans?

There are 3 different options you have, which we'll explain in detail so that you can make an informed decision.

3 Options to Sell Your House got Maximum Speed & Profit

Option #1: Selling with a Realtor

Realtors are great if you have plenty of time to sell and your house is in excellent condition. There are hundreds of Realtors in Champaign County, and lets say you were to pick the one that has closed some deals and is experienced. The realtors will likely walk through your property and give you advice on what should be fixed, cleaned up or removed.

Then, you'll likely sign a 6-month to 1-year listing contract and they'll put it on the MLS. Most listing agents will charge 6% or more depending on the situation of service. They will handle all of the calls, lots of paperwork, qualifying the potential buyers, and hopefully presenting you offers. Typically 3% goes to the agent that finds the buyer and 3% goes to the agent that listed the property.

Once the property hits the MLS the fun begins! You'll have lots of people coming into your home, looking around and checking every nook and cranny, 7 days a week, and quite possibly at all different times of the day. This means that your house has to be spotless ALL of the time. This can be very intrusive for most people.

Once a buyer is found, which can take 4-8 months, the buyers “inspection period” begins. During this period, buyers hire a local Inspection Company to come to your house and check out EVERYTHING! After these inspections are complete, most buyers will provide the seller with a list of items that they expect you to fix, or instead they may ask you for a large price reduction. If you don't agree to the request, the buyers can walk away and you are back to square one!

Once you get past the inspection period, the buyers lender will order an appraisal to ensure that they value and condition of the property is acceptable to the lender. This appraisal process which used to be fairly routine, is now blowing up many traditional real estate deals. A property that was worth \$145,000 just a few years ago, may now only be worth \$120,000. The problem is both a decline in values as well as a new “third-party” appraisal system which allows an appraiser to come from another city to appraise a property here. The out of town appraisers do not understand the true values of this market. Many realtors have found this very frustrating as well!

Realtors are great if you have plenty of time, your house is in excellent condition and you don't mind people coming to your house continuously. The MLS will likely allow you to get the highest gross price for your house (before commissions, repairs, closing cost, time on market, etc), and you will probably be represented professionally, as most realtors are pretty good at what they do.

Option #2: For Sale by Owner (FSBO)

Selling your home “By Owner” is very similar to Option #1, the only difference is YOU have to do all of the work. You have to market the property, find the buyer, show the house, negotiate the sale, write the contract and disclosures, and so on. Most buyers will need to get financing so there will be a risk of appraisal. There will still be closing cost and fees that need to be paid. This is a good alternative if you have the time and are comfortable in handling the sales process.

The process will take longer as you won't have 300+ Realtors seeing and potentially showing your house to buyers, Most FSBO's sell at about 86% of asking price. The process can be frustrating as you are responsible for the whole transaction. FSBO's work fairly well for sellers when it is a sellers marketing (like 2005). We are NOT in a sellers market today, thanks to the huge amount of inventory and houses for sale, with record high numbers expected to continue.

Option #3: Selling to a Real Estate Investor

The key to selling to a real estate investor is to find someone that you like and trust. There are so many 'newbie' investors that just finished a weekend seminar and out to "get a deal" to prove that they are the next Donald Trump. This is NOT the type of person you want to "try" to purchase your property. Most are broke and have never purchased an investment home in their lives.

You want an investor that is not only confident but also experienced and capable of buying your house fast -- like someone that has purchased at least 50+ homes in the area and has dealt with simple and complex transactions.

What are some of the Reasons People Sell to a Real Estate Investor?

Inherited Property	Vacant House
Divorce	Out of State Owner
Foreclosure	Behind on Payments
Lots of Repairs	Bankruptcy
Need Cash Fast	Probate
City Violations	Upside Down

So What Will an Investor Pay for My House?

We get this question a lot -- it's really quite simple. We generate find the current (true) market value of the property, less repairs and renovation to get the property fully updated, less 10-20%.

So What if you Owe More than the property is Worth?

We have a secret weapon, a lady who has worked with top lending institutions to negotiate a discount payoff amount of the loan balance.

What if You're Not Upside Down, But Have Little Equity?

We have the ability to take over payments and if you have equity in some cases we can get you cash very quickly. We can provide instant stress relief; and take the burden of monthly house payments off your hands and give you cash. This can allow you to move on stress free!

Are You Realtors and do I have to pay a Commission?

No, we are private investors, and you pay no fees or commissions.

Give us a call right now at: 217-355-5343

or visit us online at:

www.HandyManBuysHouses.com

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