

Online Real Estate Owned Investment Tools

OREO-IT FOR ALL YOUR REAL ESTATE NEEDS



HONESTY - INTEGRITY - COMMITMENT

Secrets To Buying Without Cash, And Without Credit?!

You may be thinking that it would surely be impossible to invest in real estate when you have bad credit, but take heart! It's a lot easier than you realize. You need never let lack of credit, or even 'bad credit' interfere negatively with your investment plans. Loan programs exist for almost anyone who needs money, including recently the discharged bankruptcies. You really can invest without cash and without credit, providing you have a good information source, education and encouragement. The five most important attributes you need for investment success are: -

- Dissatisfaction with your present income.
- An honest need for more money.
- Highly motivated desires to achieve/succeed.
- Stick ability.
- The ability to shrug off failure and keep going.

If you can also check selling skills, a business like demeanor, good business sense and a good understanding of real estate, then you are assured of success. But these last four are not strictly necessary.

If you have no money and bad credit, you can still get credit by going to a Hard moneylender for your loan. Most Hard moneylenders don't care a hoot about you or your credit. They only look at the property, which is their security. If you can't pay them back, they can sell the property to get their money.

Hard moneylenders usually loan 65% of the renovated value of the property. So if your property is worth \$100,000 fixed up, and you can buy it for \$60,000, the lender will give you \$65,000, which is 65% of \$100,000. You get to pay cash for the property and you have \$5,000 left over for closing costs and repairs. Then you can choose whether you want to flip the property to another investor for cash or renovate it yourself. These kinds of loans do have higher fees, but you can typically close within 7 days and it's still cheaper than having a partner.

Some people think that flipping is illegal. It's not. A better way to put it would be to say that "fraudulent flipping" is illegal. Flipping is simply buying and selling in a short space of time. People do it every day in business, from the stock market to the car salesperson.

The word 'flipping' has in the past been attached to certain illegal activities like getting false appraisals and over financing the property. The only problem you might encounter with flipping your investment is convincing the appraiser that the value of your property has indeed gone up so swiftly. Photographs of before and after renovations are an excellent idea for this. You may also need several appraisals from different sources to verify it to your buyer's lender.

