



MAKE MONEY INVESTING IN DISTRESSED PROPERTIES

If you know the basics of real estate investing, then you know the key to making profits is basic economics - buy as low as you can and sell as high as you can. This is the case with any other kind of investment and real estate is no different. What makes a simple equation into something difficult is buying properties for a price low enough to make a substantial profit. Investors who work with distressed properties have found a niche that serves them perfectly.

Distressed properties have a lower market value because of certain factors that apply to the property. It may be in poor condition or have a bad appearance. Or, the property itself may be fine, only the owner is facing a difficult financial situation. Whether the property is in a physically or financially poor condition makes a difference in your approach.

While investing in distressed properties can be lucrative, it can be costly too. That's why it's important to choose these properties wisely. Choosing the wrong one could cost several hundreds to several thousands of dollars. If you had this kind of money to throw away, you probably wouldn't be involved with real estate investing.

Stay away from properties that need major repairs like a new roof or foundation. You'll end up sinking so much money into these types of properties without improving the value enough to make a justifiable profit. Instead, choose distressed properties that require minimal repairs and provide a generous return on your investment.

Not all distressed properties need repairing. Some properties are distressed because the owner is having financial difficulty caused by divorce, death, and job loss, among many other factors. Although the owner(s) may be facing a difficult time, your investment can keep the situation from worsening. In many cases, where the property is financially distressed, you can resell the home without having to spend a great deal of money on repairs.

If you find a distressed property and you're interested in making an offer for it, you have to act quickly. Contact the bank or homeowner as soon as possible to find out how you can help take the property off their hands. Get financing as quickly as possible. It helps to have relationships with a few lenders who can help you get funding. When you take too long, other investors swoop in with their own offers and before you know it, home ownership has already been transferred to another investor.

At Northern Range Capital Corp, we focus on finding and packaging real estate investments for our investor partners. Contact Bruce Ramsey at: 905-901-3063 or visit us on the web at www.northernrange.ca