

Cheap Real Estate - Ten Ways To Find It

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How many ways are there to find cheap real estate? Here are ten of them.
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How many ways do you know to find cheap real estate? Whether you are looking for a home, rental house, land or other property, at least a couple of the suggestions here can help you pay less for it.

1. Talk To Your Bank

{bot_wrgoogle}Now more than ever (this is being written in 2009) banks are trying to unload the homes and other real estate they have foreclosed on. Talk to them. Although most banks sell through a local real estate office, you may learn of properties that are not yet for sale, so you can be ready, or even make an offer before they list it.

2. Sign Up For Real Estate Alerts

Some websites, like Realtor.com, have a free service that allows you to give them your preferences, and then they send you the latest listings. You can find out about many properties the day they are listed in this way - before most other buyers know about them. Be prepared to move fast if a great deal comes along.

3. Watch For FSBO Signs

Keep your eyes open for homes and land for sale by owner as you drive around. These sometimes sell for less because the owner didn't properly appraise the property. More often, these properties sell cheap because the owner gets tired of dealing with the sales process and just wants to be done with it. The seller is also saving the cost of the commission he would pay an agent to sell the home, so he may share that savings with you in the form of a lower price.

4. Watch For Abandoned Houses

An empty house is sometime owed by the bank, and not yet listed for sale with a real estate office. If so, you might get an offer in before anyone else has a chance. Other times, it is a rental, and an empty rental sometimes makes landlords anxious to sell. Train your eyes to catch the overgrown lawn and other clues that a house is vacant.

5. Make Low Offers

This is the oldest negotiating technique in existence. Simply offer a low price and see what happens. Even when a seller says no he may come back with a counter-offer that is much lower than the original asking price. Be prepared for a lot of "nos" if you do this often.

6. Look For Developer/Landlords

Those investors who have both rental properties and development projects may be in trouble. In many parts of the country houses and condos are selling for less than the cost of construction. If a developer also has rental houses, a strip mall or other income property, he may appreciate the opportunity to sell it cheap and solve his cash flow problems resulting from the "spec" homes he has sitting unsold.

7. Head For Miami

There are areas of the country which have been so over-built that prices have fallen by half. I recently saw a house in

Miami listed for \$10,000, and there were two dozen brand new ocean-view condos selling for less than \$80,000. If you are looking for a second home, a vacation getaway, or possibly an investment for the future, check out the cities and towns which have been hit hardest by this slump.

8. Gather Your Cash

Cheap real estate is always more likely when you have more cash. You can close more quickly, meaning you may have an edge even on a buyer who offers slightly more. You also save the cost of mortgage insurance if you have a down payment of at least 20%. A home equity line of credit on your own home may help you have that cash available if you are a serious investor.

9. Talk About Your Goals

Whatever kind of real estate you are looking for, if you let your friends and associates and everyone else know, a deal may come to you. This happens all the time. A man mentions to a friend that he wants to sell his building lot fast, for example, and that friend recalls overhearing that you are looking for lots, so he tells the seller.

10. Check The Newspaper

Some of the best deals on cheap real estate can be found in the newspaper classified advertisements. Many towns have one paper which has most of the cheaper properties, and this is often a weekly paper with lower advertising costs. See which paper in your area is best, and get it on the day it is published. You can also find most daily newspapers online now.

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