

TIPS FOR BUYING A HOME IN FORECLOSURE

It's a buyer's market, thanks to a large inventory of affordable homes, including an increase in the number of foreclosed residential properties now available. Although there are a few extra considerations when buying a foreclosed home, the financial benefits can outweigh many of those issues, leaving you with a great investment at a bargain price.

FINDING A HOME

Properties in foreclosure are not advertised as much as typical real estate listings. Ask your local lender or real estate agent about foreclosed properties in your price range. WHEDA® also has real estate owned properties available to purchase. For a complete listing, go to www.wheda.com/Reports/REOs/reolist.pdf.

LOCATION

Foreclosed homes can be found in a variety of neighborhoods. If you are flexible on location, this could lead to a great financial opportunity.

For a list of real estate agents experienced with foreclosed homes, go to www.wisconsinforeclosureresource.com/re.asp.

TAXES AND LIENS

A foreclosed home may have back taxes or liens against the property. Bank-owned properties carry the least risk for home buyers seeking foreclosed homes. When a bank owns a foreclosed property there are no taxes or liens to deal with and the property is vacant.

LOW HOME PRICES

Foreclosed homes are typically priced lower than other homes on the market so that they can be sold quickly.

IMMEDIATE REPAIRS

Foreclosed homes are sold as is with no warranties. It is important to have the property examined by a home inspector to determine any immediate repairs you need to make before you can move in. To find professional home inspectors, go to the **American Society of Home Inspectors** website at www.ashi.org.

With a Wisconsin Neighborhood Advantage loan, you may add repair costs into your mortgage to fix up a foreclosed property or you can apply for local grant assistance to cover repairs. This loan requires all properties to have a Housing Quality Standards (HQS) home inspection. To review the HQS inspection form that your professional home inspector will need to complete, please go to the U.S. Department of Housing and Urban Development (HUD) website at www.hud.gov/offices/cpd/affordablehousing/library/forms/hqschecklist.pdf



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