

03.03) Sell Property Fast With Owner Financing!

Written by Tracy Z. Rewey

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When a property isn't selling most real estate agents are quick to suggest a reduction to the sales price. It is common to see the tag line Price Reduced added to for sale signs, listings and ads.

Rather than reducing price it pays to consider offering owner financing to sell a property quickly.

In today's real estate market obtaining a mortgage can be a large stumbling block to home ownership. In the midst of this sub prime mortgage meltdown it is difficult to obtain a loan, especially for anyone with less than A+ credit and a 20% down payment.

While there are many reduced priced properties for sale few are offering a solution to the financing challenges. By offering owner financing the seller can reduce marketing time and maximize price while providing the buyer an economical alternative to bank loans.

The buyer makes a down payment and the seller accepts payments over time from the buyer. In essence the seller becomes the bank and is able to collect interest on the balance financed at the agreed upon rate.

Rather than collect payments for 20 to 30 years most sellers will prefer a balloon payment provision that requires the buyer to refinance and payoff the seller in 3 to 5 years. The seller also has the option of selling all or part of the payments to a note investor for cash now.

Back in the 1980's the use of owner financing increased when interest rates were in the teens and borrowers had troubles qualifying based on the high monthly payments. Seller financing is now offering a similar solution to the financing challenges caused by the mortgage crisis.

Offering owner financing can be a very effective way to reduce marketing times, provided a property is priced at fair market value using comparables sales. Simply add the words Owner Will Finance to the advertising and watch the inquiries increase.

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About the Author:

[Tracy Z. Rewey](#) has been using seller financing for over 20 years. She's helped thousands of buyers, sellers, and brokers achieve their goals, even in a tough economy.