HOEKSTRA REAL ESTATE

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(conditions apply)

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Benefits & Drawbacks of Selling to an Investor

Investor vs Traditional Buyer

"Real estate cannot be lost or stolen, nor can it be carried away. Purchased with common sense, paid in full, and managed with reasonable care, it is about the safest investment in the world."

--- Franklin D Roosevelt

Have you seen investor advertisements offering to buy your home? They might say, "We'll buy your house!" They may promise to pay cash, close fast, and require no repairs for the sale. What's it like selling to an investor versus doing a traditional home sale using a Realtor? How do you find an investor you can trust? What are the pros and cons of selling to an investor? Sacramento area investor and Realtor experts have come together to share the details of the benefits and drawbacks of selling your home to an investor instead of doing a traditional sale. The below report lists opinions of local experts with many years of experience in real estate that can effectively help you to make an informed choice for you and your family.

Benefits of selling your home to an investor

Investors typically buy in "as-is" condition, so you avoid the need for costly repairs or updating. The investor isn't planning to live in your home so they don't care if your amenities are out dated or if your home is in need of repairs. One of the investors' methods of real estate investing is to buy homes that are in need of updating & repair. This gives them the advantage of being able to buy at a lower market value with the hope of buying, remodeling and reselling the home for a profit, a buy and flip. How do you benefit as the seller? Most investors purchase properties with cash. With an all cash offer you avoid the risk of a buyer not being able to obtain a loan. With an investor's cash offer you can close escrow quickly, generally within 10-14 days vs 30+ days with a traditional buyer. The idea of a quick close is ideal for home sellers that are in contract on the purchase of another home, or sellers that inherited a property. An investor cash offer is perfect for those homes that are unable to obtain financing due to lack of maintenance or repairs needed, or if you are trying to avoid an impending foreclosure. Divorce and quick need of relocation are also good situations that would benefit from selling to an investor.

Benefits of Selling Your Home to a Traditional Buyer

When selling your home to a traditional buyer, hiring a great real estate agent can make all the difference in the world in many aspects of your selling experience, from your stress level to your profits. Your Realtor will guide you in the steps needed to get the highest dollar amount for your home. You will need to make sure your home shines in the best light possible. Buyers will be looking for deferred maintenance and repairs needed when assessing your home to purchase as their dream home. A traditional buyer will require a loan, appraisal and inspections so you might need to spend a little time and money to make necessary repairs and updates to your home prior to listing. The traditional buyer's purchase process typically takes 30 or more days to complete, thus giving the seller time to find a replacement home. Buying a home is the biggest financial transaction most people will undertake in their lives. It can also be one of the most emotional. That's because while buying or selling a home is basically an exchange of money for a product, it is also an undertaking of hopes and dreams for the traditional buyer and, in the case of the seller, the memories and experiences rooted in the home.

Your Final Decision

To sum up, you have a lot of options when it comes to selling. You might sell through an agent to a traditional buyer, or you might consider selling your house directly to a real estate investor. There are advantages and disadvantages to both. Working with home investors can save you time and eliminates the hassle of having to make repairs to bring your home into list-ready condition. For the convenience of selling quickly, sellers can expect to sell at a discount when selling to investors. Working with a Realtor and a traditional buyer you can sell at fair market value, which is typically higher than an offer of an investor. In addition, working with a trusted, licensed Realtor provides you will the peace of mind because your Realtor has what's known as a "fiduciary" responsibility, meaning they are legally obligated to put your best interest first. A traditional buyer will have a mindset in common with the seller in regard to the emotional needs and wants of the home for their family and memories had and those to be made in the home. It can be a very difficult decision whether to sell to an investor or do a traditional sale, so consulting a good Realtor who can guide you through the process is important.

For more information on any of our innovative homeseller programs, call Trudy Hoekstra at (916) 201-0841.

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