

REO PROJECTS

by Gary Geist of HomeReplay, LLC

How do you as a new investor take advantage of the current number of foreclosures and purchase a bank-owned or REO property? As the number of foreclosures continues to rise, more and more distressed properties will be available for investors who are prepared to buy these properties. Of course, the most obvious method for purchasing one of these properties is to spend cash, lots of cash. Then hold these properties as rentals, receiving a positive monthly cash flow until the market turns around and then sell off for a profit to new home owners. This might describe the ability of a few investors, but for the most part, the majority of today's investors have seen their cash reserves and stock portfolios dwindle as businesses continue to cut back in their own investing strategies. Thus, if you are like most middle class Americans, your cash reserves are not enough to weather this financial storm. So alternatives need to be investigated. This includes transferring some of your wealth into real assets (like property) to protect your capital.

A few entrepreneurs have started specially designed "investment opportunities" or programs that bring seasoned investors and new investors together for the sole purpose of expanding their property holdings. These programs are taking advantage of the large number of distressed properties for sale in the current real estate market. With the forecast of even more foreclosures for 2011, investors who want to buy some of these properties need to be prepared. This preparation process not only includes setting aside ready cash to take advantage of these unique market conditions, but also requires building a support team of competent professionals to assist you with these endeavors. These new investment programs are designed to fill the gap for those investors who have limited funds but still want to invest in real estate by providing them the means to be competitive with investors who have large cash reserves. These programs provide not only financial backing but, more importantly provide a complete support organization of qualified professionals all focused on one objective – turning distressed properties into good housing for needy families.

One company to take advantage of this unique opportunity in the marketplace is HomeReplay, LLC in southwest Ohio. In 2008 HomeReplay began assembling teams of like minded individuals and companies in key cities throughout the Midwest who saw the coming opportunity caused by the rising number of foreclosures. These teams are comprised of innovative real estate agents and brokers, financial planners, and skilled tradesman, all who are professionals focused on locating, evaluating, refurbishing and renting distressed properties. These teams consist of forward-thinking professionals looking for innovative ways to complete these projects and expand their holdings within these cities. When combined in the right business setting, this mix of individuals can produce excellent profits for all involved. Property profits and values are dramatically increased and the investor's equity grows each month.

Since the marketplace is being flooded with foreclosed property, there will be plenty of opportunities for these projects over the next several years. Current estimates are for foreclosures to remain high for the next couple of years providing a tremendous backlog of property to work through the system. So if you have been thinking of getting into the real estate investment arena but just weren't certain how to do it, now is the time to act by joining one of these special teams. Visit www.HomeReplay.com for a complete list of cities where these teams are currently active as well as cities where new teams are being formed for 2011.